

Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Statements of Financial Position as at 30 September 2025

		The Group		The Bank	
	Note	30/9/2025 RM'000	31/12/2024 RM'000	30/9/2025 RM'000	31/12/2024 RM'000
ASSETS					
Cash and short-term funds		6,028,693	2,852,881	4,282,067	1,960,558
Deposits and placements with banks and other financial institutions		230,387	302,241	230,385	604,294
Reverse repurchase agreements with financial institutions		65,824	-	65,824	8,033
Investment accounts due from designated financial institutions		-	-	2,561,959	3,248,280
Financial assets at fair value through profit or loss ('FVTPL')	A10	2,501,076	1,562,337	2,948,529	1,852,836
Derivative financial instruments	A30	305,988	450,370	272,610	412,598
Financial investments at fair value through other comprehensive income ('FVOCI')	A11	13,508,131	13,901,457	7,288,782	6,046,007
Financial investments at amortised cost ('AC')	A12	15,133,811	15,689,413	9,569,934	10,038,120
Loans, advances and financing	A13	75,055,720	70,892,085	35,976,783	35,640,014
Amount due from clients and brokers	A14	513,030	513,907	-	-
Other assets	A15	701,031	663,742	416,792	384,312
Amount due from subsidiaries		-	-	1,056,735	756,357
Amount due from joint ventures		-	4,639	-	-
Tax recoverable		248,129	217,929	216,256	188,728
Deferred tax assets		50,078	114,938	-	43,840
Statutory deposits with Bank Negara Malaysia		819,752	1,524,530	482,000	867,000
Investment in subsidiaries		-	-	3,305,805	3,304,950
Investment in associates		850,791	830,917	676,279	676,279
Property and equipment		1,481,677	1,361,772	1,418,999	1,298,483
Investment property		123,039	124,988	169,179	171,859
Right-of-use assets		65,527	71,865	57,858	60,733
Intangible assets		747,604	762,096	300,133	314,681
TOTAL ASSETS		118,430,288	111,842,107	71,296,909	67,877,962
LIABILITIES AND EQUITY					
Deposits from customers	B7	77,300,320	73,743,519	41,492,577	41,104,818
Investment accounts of customers		919,462	757,600	-	-
Deposits and placements of banks and other financial institutions	B7	7,911,308	8,618,411	5,678,247	5,183,589
Obligation on securities sold under repurchase agreements		5,113,174	5,567,418	5,113,174	5,188,779
Derivative financial instruments	A30	605,615	365,936	545,150	316,611
Bills and acceptances payable		51,256	32,341	51,256	32,341
Recourse obligation on loans/financing sold to Cagamas Berhad		6,059,195	5,127,995	3,533,298	3,002,564
Amount due to clients and brokers		446,773	370,282	-	-
Lease liabilities	B7	63,267	65,404	57,539	57,251
Other liabilities	A16	2,222,223	1,827,022	1,182,407	1,135,745
Amount due to subsidiaries		-	-	34,564	175,656
Provision for taxation		15,214	7	-	-
Borrowings and Sukuk	B7	5,561,968	3,764,880	3,143,928	1,506,229
Deferred tax liabilities		6,154	-	6,151	-
TOTAL LIABILITIES		106,275,929	100,240,815	60,838,291	57,703,583

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2024.

Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Statements of Financial Position as at 30 September 2025

	Note	The Group		The Bank	
		30/9/2025 RM'000	31/12/2024 RM'000	30/9/2025 RM'000	31/12/2024 RM'000
EQUITY					
Share capital		5,488,544	5,488,544	5,488,544	5,488,544
Reserves:					
FVOCI revaluation reserves	A17	298,720	170,624	264,345	207,027
Regulatory reserves	A17	655,789	473,143	446,563	335,563
Other reserves	A17	15,904	3,493	30,976	17,241
Retained profits	A17	5,695,402	5,465,488	4,228,190	4,126,004
TOTAL EQUITY		12,154,359	11,601,292	10,458,618	10,174,379
TOTAL LIABILITIES AND EQUITY		118,430,288	111,842,107	71,296,909	67,877,962
COMMITMENTS AND CONTINGENCIES	A29	101,710,604	85,186,497	83,950,185	66,865,818
CAPITAL ADEQUACY RATIOS	A31				
CET 1 capital ratio		13.490%	13.217%	13.103%	12.145%
Tier 1 capital ratio		14.925%	14.635%	14.314%	13.272%
Total capital ratio		17.160%	17.063%	16.197%	15.258%
Net assets per share attributable to equity holders of the Bank (RM) *		4.80	4.58	4.13	4.02

* For comparative purpose, the net assets per share as at 31 December 2024 had been adjusted to reflect the bonus issue of 1 bonus share for every 18 existing ordinary shares which was completed on 5 May 2025.

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2024.

Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Income Statements for the Financial Quarter Ended 30 September 2025

The Group	Note	Individual Quarter Ended		Cumulative Quarter Ended	
		30/9/2025 RM'000	30/9/2024 RM'000	30/9/2025 RM'000	30/9/2024 RM'000
Interest income	A18	726,219	778,535	2,178,087	2,254,402
Interest expense	A19	(518,573)	(563,915)	(1,551,660)	(1,653,737)
Net interest income		207,646	214,620	626,427	600,665
Income from Islamic banking business		217,552	168,952	634,181	498,082
		425,198	383,572	1,260,608	1,098,747
Fee and commission income		84,409	78,929	226,468	231,147
Fee and commission expense		(10,450)	(4,593)	(34,241)	(11,885)
Net fee and commission income	A20	73,959	74,336	192,227	219,262
Net gains on financial instruments	A21	82,409	36,311	207,864	127,223
Other income	A22	6,409	118,549	87,507	166,844
Net income		587,975	612,768	1,748,206	1,612,076
Other operating expenses	A23	(440,128)	(455,920)	(1,239,258)	(1,202,629)
Operating profit before allowances		147,847	156,848	508,948	409,447
Write-back of/(allowance for) credit impairment losses	A24	34,653	54,758	(8,505)	88,603
Write-back of/(allowance for) impairment losses on other assets	A25	99	(15,912)	(6,257)	(19,066)
Operating profit		182,599	195,694	494,186	478,984
Share of results of associates		2,000	7,945	48,380	20,391
Profit before zakat and taxation		184,599	203,639	542,566	499,375
Zakat		(2,475)	(2,013)	(2,475)	(4,693)
Profit before taxation		182,124	201,626	540,091	494,682
Taxation	B5	(37,138)	(55,809)	(127,531)	(120,075)
Net profit after zakat and taxation		144,986	145,817	412,560	374,607
Attributable to:					
Equity holders of the Bank		144,986	145,817	412,560	374,607
Earnings per share attributable to equity holders of the Bank (sen): *					
- Basic	B10	5.72	5.75	16.28	14.98
- Diluted	B10	5.67	5.69	16.13	14.82

* For comparative purpose, the earnings per share for the individual and cumulative quarter ended 30 September 2024 had been adjusted to reflect the bonus issue of 1 bonus share for every 18 existing ordinary shares which was completed on 5 May 2025.

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2024.

Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Statements of Comprehensive Income
for the Financial Quarter Ended 30 September 2025

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025 RM'000	30/9/2024 RM'000	30/9/2025 RM'000	30/9/2024 RM'000
The Group				
Net profit after zakat and taxation	144,986	145,817	412,560	374,607
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
- Net fair value change in financial investments at FVOCI (debt instruments)	67,099	114,477	317,911	114,951
- Net credit impairment gain/(loss) change in financial investments at FVOCI (debt instruments)	761	(18,566)	1,833	(21,130)
- Net gain on financial investments measured at FVOCI reclassified to profit or loss on disposal (debt instruments)	(62,131)	(12,394)	(157,371)	(16,843)
- Deferred tax on financial investments at FVOCI	(199)	(28,196)	(41,061)	(27,531)
- Share of other comprehensive (loss)/income of associates	(847)	26,176	4,194	8,910
<u>Items that may not be reclassified subsequently to profit or loss:</u>				
- Net fair value change in financial investments designated at FVOCI (equity instruments)	-	-	1,266	1,428
Other comprehensive income for the financial period, net of tax	4,683	81,497	126,772	59,785
Total comprehensive income for the financial period	149,669	227,314	539,332	434,392
Total comprehensive income for the financial period attributable to:				
Equity holders of the Bank	149,669	227,314	539,332	434,392

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2024.

Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Income Statements for the Financial Quarter Ended 30 September 2025

	Note	Individual Quarter Ended		Cumulative Quarter Ended	
		30/9/2025 RM'000	30/9/2024 RM'000	30/9/2025 RM'000	30/9/2024 RM'000
The Bank					
Interest income	A18	653,333	700,250	1,957,460	2,026,541
Interest expense	A19	(468,834)	(520,789)	(1,396,357)	(1,501,325)
Net interest income		184,499	179,461	561,103	525,216
Fee and commission income		41,807	37,015	110,995	126,307
Fee and commission expense		(5,172)	(4,593)	(16,393)	(11,885)
Net fee and commission income	A20	36,635	32,422	94,602	114,422
Net gains on financial instruments	A21	52,019	26,061	134,465	78,540
Other income	A22	58,627	193,788	247,875	253,319
Net income		331,780	431,732	1,038,045	971,497
Other operating expenses	A23	(280,148)	(314,127)	(787,091)	(805,353)
Operating profit before allowances		51,632	117,605	250,954	166,144
Write-back of/(allowance for) credit impairment losses	A24	9,447	27,443	(4,957)	56,626
(Allowance for)/write-back of impairment losses on other assets	A25	-	(9,290)	-	(9,290)
Profit before taxation		61,079	135,758	245,997	213,480
Taxation	B5	363	(24,611)	(32,811)	(36,110)
Net profit after taxation		61,442	111,147	213,186	177,370
Earnings per share attributable to equity holders of the Bank (sen): *					
- Basic	B10	2.42	4.39	8.41	7.09
- Diluted	B10	2.40	4.35	8.33	7.04

* For comparative purpose, the earnings per share for the individual and cumulative quarter ended 30 September 2024 had been adjusted to reflect the bonus issue of 1 bonus share for every 18 existing ordinary shares which was completed on 5 May 2025.

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2024.

Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Statements of Comprehensive Income
for the Financial Quarter Ended 30 September 2025

	Individual Quarter Ended		Cumulative Quarter Ended	
The Bank	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
Net profit after taxation	61,442	111,147	213,186	177,370
Other comprehensive (loss)/income:				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
- Net fair value change in financial investments at FVOCI (debt instruments)	37,473	50,551	154,843	40,340
- Net credit impairment gain change in financial investments at FVOCI (debt instruments)	463	49	820	512
- Net gain on financial investments measured at FVOCI reclassified to profit or loss on disposal (debt instruments)	(39,129)	(7,556)	(78,570)	(11,544)
- Deferred tax on financial investments at FVOCI	1,087	(13,115)	(19,775)	(9,712)
Other comprehensive (loss)/income for the financial period, net of tax	(106)	29,929	57,318	19,596
Total comprehensive income for the financial period	61,336	141,076	270,504	196,966

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Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Statements of Changes in Equity
for the Financial Quarter Ended 30 September 2025

The Group	Attributable to Equity Holders of the Bank					
		Non-distributable			Distributable	
		FVOCI	Regulatory	Other	Retained	Total
	Share capital RM'000	revaluation reserves RM'000	reserves RM'000	reserves RM'000	profits RM'000	equity RM'000
At 1 January 2025	5,488,544	170,624	473,143	3,493	5,465,488	11,601,292
Net profit for the financial period	-	-	-	-	412,560	412,560
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	-	122,578	-	-	-	122,578
- Share of other comprehensive income/(loss) of associates	-	5,518	-	(1,324)	-	4,194
Total comprehensive income/(loss) for the financial period	-	128,096	-	(1,324)	412,560	539,332
Share grant scheme granted	-	-	-	13,735	-	13,735
Transfer to regulatory reserves	-	-	182,646	-	(182,646)	-
At 30 September 2025	5,488,544	298,720	655,789	15,904	5,695,402	12,154,359

	Attributable to Equity Holders of the Bank					
	Non-distributable			Distributable		
	Share capital	FVOCI revaluation reserves	Regulatory reserves	Other reserves	Retained profits	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	5,371,044	169,540	337,761	4,146	5,226,324	11,108,815
Net profit for the financial period	-	-	-	-	374,607	374,607
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	-	50,875	-	-	-	50,875
- Share of other comprehensive income of associates	-	8,910	-	-	-	8,910
Total comprehensive income for the financial period	-	59,785	-	-	374,607	434,392
Issuance of new shares	117,500	-	-	-	-	117,500
Share grant scheme granted	-	-	-	8,425	-	8,425
Transfer from regulatory reserves	-	-	(60,807)	-	60,807	-
Dividends	-	-	-	-	(135,157)	(135,157)
Insurance finance reserve	-	-	-	(12,701)	-	(12,701)
At 30 September 2024	5,488,544	229,325	276,954	(130)	5,526,581	11,521,274

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Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Statements of Changes in Equity
for the Financial Quarter Ended 30 September 2025

The Bank	Non-distributable				Distributable	
	Share capital RM'000	FVOCI revaluation reserves RM'000	Regulatory reserves RM'000	Other reserves RM'000	Retained profits RM'000	Total equity RM'000
At 1 January 2025	5,488,544	207,027	335,563	17,241	4,126,004	10,174,379
Net profit for the financial period	-	-	-	-	213,186	213,186
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	-	57,318	-	-	-	57,318
Total comprehensive income for the financial period	-	57,318	-	-	213,186	270,504
Share grant scheme granted	-	-	-	13,735	-	13,735
Transfer to regulatory reserves	-	-	111,000	-	(111,000)	-
At 30 September 2025	5,488,544	264,345	446,563	30,976	4,228,190	10,458,618

	Non-distributable				Distributable	
	Share capital RM'000	FVOCI revaluation reserves RM'000	Regulatory reserves RM'000	Other reserves RM'000	Retained profits RM'000	Total equity RM'000
At 1 January 2024	5,371,044	204,573	270,563	4,146	4,073,235	9,923,561
Net profit for the financial period	-	-	-	-	177,370	177,370
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	-	19,596	-	-	-	19,596
Total comprehensive income for the financial period	-	19,596	-	-	177,370	196,966
Issuance of new shares	117,500	-	-	-	-	117,500
Share grant scheme granted	-	-	-	8,425	-	8,425
Transfer from regulatory reserves	-	-	(130,000)	-	130,000	-
Dividends	-	-	-	-	(135,157)	(135,157)
At 30 September 2024	5,488,544	224,169	140,563	12,571	4,245,448	10,111,295

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Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Condensed Statements of Cash Flows
for the Financial Quarter Ended 30 September 2025

	The Group		The Bank	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	540,091	494,682	245,997	213,480
Adjustments for items not involving the movement of cash and cash equivalents	(96,848)	713,516	(2,988)	579,295
Operating profit before changes in working capital	443,243	1,208,198	243,009	792,775
Net changes in operating assets	(5,383,623)	(4,271,758)	(940,524)	151,249
Net changes in operating liabilities	3,050,699	4,321,147	870,945	135,357
Tax and zakat paid	(125,453)	(82,896)	(40,816)	(58,187)
Tax and zakat refunded	10,973	-	10,948	-
Net cash (used in)/generated from operating activities	(2,004,161)	1,174,691	143,562	1,021,194
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received:				
- financial investments at FVOCI	441,228	193,821	214,539	155,890
- financial investments at AC	338,062	322,567	265,528	317,038
Dividend income received:				
- financial assets at FVTPL	2,730	3,525	1,639	-
- financial investments at FVOCI	882	882	732	732
- subsidiaries	-	-	80,959	66,169
Purchases of:				
- financial investments at FVOCI	(9,413,948)	(13,413,095)	(5,853,139)	(8,346,920)
- financial investments at AC	(99,553)	(192,913)	-	(1,542,808)
Redemptions/disposals of:				
- financial investments at FVOCI	9,856,303	9,000,627	4,693,293	5,783,039
- financial investments at AC	617,700	1,484,857	441,719	1,409,952
Purchases of:				
- property and equipment	(172,183)	(239,260)	(169,685)	(235,787)
- intangible assets	(972)	(5,092)	(700)	(4,942)
Proceeds from disposal of:				
- property and equipment	2,434	351	2,434	392
- right-of-use assets	1,966	-	1,966	-
Investment in a subsidiary	-	-	-	(100,040)
Investment in associates	-	(9,000)	-	(9,000)
Net cash generated from/(used in) investing activities	1,574,649	(2,852,730)	(288,015)	(2,506,285)
CASH FLOWS FROM FINANCING ACTIVITIES				
Drawdown of borrowings	1,778,738	500,000	1,606,901	500,000
Repayment of borrowings	(105,000)	-	(30,000)	-
Interest/profit payment on borrowings	(47,957)	(98,793)	(30,713)	(34,407)
Payment of dividend to the equity holders of the Bank	-	(17,657)	-	(17,657)
Addition/(redemption) of recourse obligation on loans/financing sold to Cagamas Berhad	900,481	549,992	500,480	(450,008)
Proceeds from issuance of Commercial Paper	-	-	-	4,908
Interest/profit payment from recourse obligation on loans/financing sold to Cagamas Berhad	(144,516)	(90,427)	(68,986)	(55,748)
Lease payments	(27,515)	(26,424)	(24,420)	(21,417)
Net cash generated from/(used in) financing activities	2,354,231	816,691	1,953,262	(74,329)
Net increase/(decrease) in cash and cash equivalents	1,924,719	(861,348)	1,808,809	(1,559,420)
Effects of foreign exchange	(249,739)	(1,053,507)	(232,702)	(708,029)
Cash and cash equivalents at beginning of the financial period	3,104,796	4,435,730	1,859,717	3,545,685
Cash and cash equivalents at end of the financial period	4,779,776	2,520,875	3,435,824	1,278,236

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2024.

Affin Bank Berhad
Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Condensed Statements of Cash Flows
for the Financial Quarter Ended 30 September 2025

	The Group		The Bank	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
<u>Cash and cash equivalents comprise the following:</u>				
Cash and short-term funds	6,028,693	2,877,157	4,282,067	1,722,193
Deposits and placements of banks and other financial institutions	230,387	890,886	230,385	100,738
	6,259,080	3,768,043	4,512,452	1,822,931
Less: Cash and short-term funds and deposits and placements with banks and other financial institutions with original maturity of more than three months	(1,479,304)	(1,247,168)	(1,076,628)	(544,695)
	4,779,776	2,520,875	3,435,824	1,278,236

The Condensed Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2024.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A1. BASIS OF PREPARATION

The unaudited condensed interim financial statements for the financial period under review have been prepared under the historical cost convention except for the following assets and liabilities which are stated at fair values:

- (i) financial assets at FVTPL;
- (ii) financial investments at FVOCI; and
- (iii) derivative financial instruments.

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

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2024. The explanatory notes to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the financial year ended 31 December 2024.

A2. ACCOUNTING POLICIES AND METHODS OF COMPUTATIONS

The material accounting policies and methods of computation applied in the condensed interim financial statements are consistent with those applied in the annual financial statements for the financial year ended 31 December 2024, except for the adoption of the following amendments to MFRS that are applicable to the Group and the Bank effective for the financial year beginning on 1 January 2025:

The annual improvements and amendments to MFRS which are effective for the Group and the Bank for the financial year beginning 1 January 2025:

Amendments to MFRS 121 'Lack of Exchangeability'

Amendments to MFRS 121 'Lack of Exchangeability' clarify that a currency is exchangeable when an entity is able to exchange it into another currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism that creates enforceable rights and obligations. If an entity can only obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, then the currency is not exchangeable. In such cases, the entity is required to estimate the spot exchange rate at the measurement date.

The amendments do not specify how an entity estimates the spot exchange rate, but permit an entity to use observable exchange rate without adjustment or another estimation technique, provided it could meet the objective for estimating the spot exchange rate set out in the amendments.

When the amendments are first applied, an entity is not permitted to restate comparative information. Instead, the entity should translate the amount affected by foreign currency that lacks exchangeability using the estimated spot exchange rates at the date of initial application. Entity is also required to make additional disclosures when exchangeability is lacking.

The adoption of the above amendments to published standards is not expected to give rise to any material financial impact on the Group and the Bank.

A3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited financial statements for the financial year ended 31 December 2024 was not subjected to any qualification.

A4. SEASONAL OR CYCLICAL FACTORS

The operations of the Group and the Bank are generally not affected by any seasonal or cyclical factors but in tandem with the country's economic situation.

A5. ITEMS OF UNUSUAL NATURE, SIZE AND INCIDENCE AFFECTING NET ASSETS, EQUITY, NET INCOME OR CASH FLOWS

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank during the financial period under review.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A6. CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial year that have a material effect during the financial period under review.

A7. BORROWINGS, SUKUK AND EQUITY SECURITIES

There were no shares issuance or cancellations, share buy-backs, resale of shares bought back, issuance and repayment of debt and equity securities by the Group and the Bank during the financial period other than the following:

(a) Share capital

The share capital of the Bank as at 30 September 2025 is RM5,488,543,516 (31 December 2024: RM5,488,543,516).

The outstanding ordinary shares of the Bank increased from 2,400,486,539 units as at 31 December 2024 to 2,533,835,382 units as at 30 September 2025 via issuance of 133,348,843 new ordinary shares arising from the Bonus Issue.

(b) Borrowings and Sukuk

The Group and the Bank have issued and redeemed the following debt securities during the financial period:

Issuance and Redemption of Debt Securities by Affin Bank Berhad ('ABB')

Issuance/ Redemption	Issuance Date	First Call Date	Maturity Date	Nominal Value	Description	Tenure
Issuance	25 September 2025	Not Applicable	25 March 2026	RM45.0 million	Commercial Paper	181 days
Redemption	27 March 2025	Not Applicable	25 September 2025	RM25.0 million	Commercial Paper	182 days
Issuance	29 May 2025	Not Applicable	28 November 2025	RM300.0 million	Commercial Paper	183 days
Issuance	4 June 2025	Not Applicable	3 June 2030	USD300.0 million	Euro Medium Term Note	5 years
Redemption	27 September 2024	Not Applicable	27 March 2025	RM5.0 million	Commercial Paper	181 days

Issuance and Redemption of Debt Securities by Affin Islamic Bank Berhad ('AIBB')

Issuance/ Redemption	Issuance Date	First Call Date	Maturity Date	Nominal Value	Description	Tenure
Issuance	25 September 2025	Not Applicable	25 March 2026	RM115.0 million	Islamic Commercial Paper	181 days
Redemption	27 March 2025	Not Applicable	25 September 2025	RM65.0 million	Islamic Commercial Paper	182 days
Redemption	27 September 2024	Not Applicable	27 March 2025	RM5.0 million	Islamic Commercial Paper	181 days

Redemption of Debt Securities by Affin Hwang Investment Bank Berhad ('AHIBB')

Issuance/ Redemption	Issuance Date	First Call Date	Maturity Date	Nominal Value	Description	Tenure
Redemption	27 September 2024	Not Applicable	27 March 2025	RM5.0 million	Commercial Paper	181 days

A8. DIVIDENDS PAID AND PROPOSED

No dividend has been paid and proposed for the financial period under review.

A9. STATUS OF CORPORATE PROPOSAL

Other than as disclosed in Note A27, there were no corporate proposal reported during the financial period under review.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ('FVTPL')

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
At fair value	RM'000	RM'000	RM'000	RM'000
<u>Money market instruments:</u>				
Malaysian Government treasury bills	251,943	450,055	251,943	450,055
Malaysian Government investment certificates	864,697	392,859	305,156	-
Bank Negara Malaysia Bills	208,282	88,589	208,282	88,589
Negotiable Instruments of Deposit and Islamic Debt Certificates	551,690	244,576	1,945,605	1,149,708
	1,876,612	1,176,079	2,710,986	1,688,352
<u>Quoted securities:</u>				
Shares, warrants and REITs in Malaysia	92,376	146,375	-	-
Unit Trusts in Malaysia	1,338	1,299	-	-
	93,714	147,674	-	-
<u>Unquoted securities:</u>				
Shares in Malaysia	121,937	136,991	121,937	136,991
Commercial Papers	44,758	-	14,919	-
Corporate Bonds/Sukuk in Malaysia *	123,021	70,534	70,997	25,234
Corporate Bonds/Sukuk outside Malaysia	241,034	31,059	29,690	2,259
	530,750	238,584	237,543	164,484
	2,501,076	1,562,337	2,948,529	1,852,836

* Included unquoted perpetual bonds designated at FVTPL amounting to RM15,598,000 (2024: RM15,054,000) for both the Group and the Bank.

A11. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ('FVOCI')

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
At fair value	RM'000	RM'000	RM'000	RM'000
<u>Money market instruments:</u>				
Malaysian Government treasury bills	-	99,538	-	99,538
Malaysian Government securities	2,564,951	2,604,068	1,501,018	1,263,194
Malaysian Government investment issues	1,143,426	2,793,101	11,266	537,273
Cagamas Bonds/Sukuk	502,169	429,355	268,215	237,632
	4,210,546	5,926,062	1,780,499	2,137,637
<u>Unquoted securities:</u>				
Shares in Malaysia *	268,517	267,251	241,057	241,057
Commercial Papers	-	29,839	-	9,918
Corporate Bonds/Sukuk in Malaysia	3,486,857	4,509,024	1,791,227	1,813,467
Corporate Bonds/Sukuk outside Malaysia	5,542,211	3,169,281	3,475,999	1,843,928
	9,297,585	7,975,395	5,508,283	3,908,370
	13,508,131	13,901,457	7,288,782	6,046,007

* Equity securities designated at FVOCI.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A11. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ('FVOCI') (Cont.)

Movements in ECL for Financial Investments at FVOCI are as follows:

	12-Month ECL Stage 1 RM'000	Lifetime ECL not credit impaired Stage 2 RM'000	Lifetime ECL credit impaired Stage 3 RM'000	Total RM'000
The Group				
30/9/2025				
At beginning of the financial period	1,255	19	-	1,274
Financial assets derecognised (other than write-off)	(788)	-	-	(788)
New financial assets purchased	2,067	56	-	2,123
Changes due to change in credit risk	418	171	-	589
Other adjustments	(91)	-	-	(91)
At end of the financial period	2,861	246	-	3,107
31/12/2024				
At beginning of the financial year	533	21,156	-	21,689
Net remeasurement of loss allowance	(535)	(29,707)	-	(30,242)
Financial assets derecognised (other than write-off)	(535)	(29,707)	-	(30,242)
New financial assets purchased	1,339	206	-	1,545
Changes due to change in credit risk	(36)	8,364	-	8,328
Other adjustments	(46)	-	-	(46)
At end of the financial year	1,255	19	-	1,274

	12-Month ECL Stage 1 RM'000	Lifetime ECL not credit impaired Stage 2 RM'000	Lifetime ECL credit impaired Stage 3 RM'000	Total RM'000
The Bank				
30/9/2025				
At beginning of the financial period	774	246	-	1,020
Financial assets derecognised (other than write-off)	(476)	-	-	(476)
New financial assets purchased	1,230	-	-	1,230
Changes due to change in credit risk	180	(63)	-	117
Other adjustments	(51)	-	-	(51)
At end of the financial period	1,657	183	-	1,840
31/12/2024				
At beginning of the financial year	172	235	-	407
Financial assets derecognised (other than write-off)	(325)	-	-	(325)
New financial assets purchased	701	206	-	907
Changes due to change in credit risk	263	(195)	-	68
Other adjustments	(37)	-	-	(37)
At end of the financial year	774	246	-	1,020

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A12. FINANCIAL INVESTMENTS AT AMORTISED COST ('AC')

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
Money market instruments:				
Malaysian Government Securities	3,825,459	3,847,842	3,633,538	3,657,415
Malaysian Government Investment Issues	5,421,937	5,450,848	2,913,460	2,930,495
Cagamas Bonds/Sukuk	35,691	35,409	25,506	25,335
Negotiable Instruments of Deposit and Islamic Debt Certificates	50,313	-	-	-
	9,333,400	9,334,099	6,572,504	6,613,245
Unquoted securities:				
Shares in Malaysia	14,915	14,915	14,915	14,915
Corporate Bonds/Sukuk in Malaysia	5,337,054	5,850,134	2,565,387	2,949,064
Corporate Bonds/Sukuk outside Malaysia	453,958	514,416	420,408	480,827
	5,805,927	6,379,465	3,000,710	3,444,806
	15,139,327	15,713,564	9,573,214	10,058,051
Fair value changes arising from fair value hedges	(1,295)	(5,672)	(3,031)	(5,359)
	15,138,032	15,707,892	9,570,183	10,052,692
Less: ECL	(4,221)	(18,479)	(249)	(14,572)
	15,133,811	15,689,413	9,569,934	10,038,120

Movements in ECL for Financial Investments at AC are as follows:

	12-Month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
	Stage 1	Stage 2	Stage 3	
	RM'000	RM'000	RM'000	RM'000
The Group				
30/9/2025				
At beginning of the financial period	4,145	14,334	-	18,479
Financial assets derecognised (other than write-off)	(54)	(1,230)	-	(1,284)
New financial assets purchased	71	-	-	71
Changes due to change in credit risk	73	(13,103)	-	(13,030)
Other adjustments	(15)	-	-	(15)
At end of the financial period	4,220	1	-	4,221
31/12/2024				
At beginning of the financial year	6,707	89,773	8,101	104,581
Financial assets derecognised (other than write-off)	(433)	(98,588)	-	(99,021)
New financial assets purchased	539	-	-	539
Changes due to change in credit risk	(2,658)	23,149	-	20,491
Write-off	-	-	(7,936)	(7,936)
Other adjustments	(10)	-	(165)	(175)
At end of the financial year	4,145	14,334	-	18,479
The Bank				
30/9/2025				
At beginning of the financial period	239	14,333	-	14,572
Financial assets derecognised (other than write-off)	(3)	(1,230)	-	(1,233)
Changes due to change in credit risk	28	(13,103)	-	(13,075)
Other adjustments	(15)	-	-	(15)
At end of the financial period	249	-	-	249
31/12/2024				
At beginning of the financial year	143	89,768	-	89,911
Financial assets derecognised (other than write-off)	(17)	(98,588)	-	(98,605)
New financial assets purchased	28	-	-	28
Changes due to change in credit risk	94	23,153	-	23,247
Other adjustments	(9)	-	-	(9)
At end of the financial year	239	14,333	-	14,572

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A13. LOANS, ADVANCES AND FINANCING

	The Group		The Bank	
	30/9/2025 RM'000	31/12/2024 RM'000	30/9/2025 RM'000	31/12/2024 RM'000
(a) BY TYPES				
Overdrafts	2,697,750	2,227,336	1,724,882	1,371,016
Term loans/financing:				
- Housing loans/financing	23,030,925	21,871,406	12,620,370	11,528,863
- Hire purchase receivables	16,299,822	15,877,544	7,272,682	7,995,058
- Syndicated financing	2,422,664	2,912,929	818,808	1,722,406
- Business term loans/financing	20,994,042	18,992,992	9,297,335	8,587,247
- Other term loans/financing	56,074	95,026	-	-
Bills receivables	1,259,321	773,858	413,235	637,725
Trust receipts	214,742	219,437	172,125	197,083
Claims on customers under acceptances credits	3,617,286	3,253,242	2,052,745	2,014,187
Staff loans/financing	236,257	232,278	88,120	87,845
Credit cards	579,746	515,922	461,689	421,941
Revolving credits	2,628,358	3,108,766	1,711,950	1,808,511
Margin financing	2,016,284	1,963,919	-	-
Gross loans, advances and financing	76,053,271	72,044,655	36,633,941	36,371,882
Less: ECL	(997,551)	(1,152,570)	(657,158)	(731,868)
Total net loans, advances and financing	75,055,720	70,892,085	35,976,783	35,640,014

Included in the Group's other term loans/financing before expected credit losses as at reporting date is RM Nil (2024: RM57,658,000) of term financing disbursed by Affin Islamic Bank Berhad, a wholly-owned subsidiary of the Bank, to Affin-i Nadayu Sdn Bhd, a joint venture company of Affin Islamic Bank Berhad.

	The Group		The Bank	
	30/9/2025 RM'000	31/12/2024 RM'000	30/9/2025 RM'000	31/12/2024 RM'000
(b) BY MATURITY STRUCTURE				
Maturing within one year	14,264,382	13,028,163	7,118,563	6,809,409
One year to three years	3,527,437	3,468,962	2,254,246	2,313,628
Three years to five years	6,132,884	6,507,527	3,454,412	4,122,230
Over five years	52,128,568	49,040,003	23,806,720	23,126,615
	76,053,271	72,044,655	36,633,941	36,371,882
(c) BY TYPES OF CUSTOMER				
Domestic banking institutions	10,056	2,173	10,056	2,173
Domestic non-banking institutions	655,713	628,511	218,940	202,212
Domestic business enterprises:				
- Small medium enterprises	10,959,674	11,229,492	7,596,790	8,075,997
- Others	13,308,265	12,747,758	6,879,690	6,940,400
Government and statutory bodies	1,126,294	794,959	123,040	1,585
Individuals	48,334,019	44,807,791	20,279,398	19,456,806
Other domestic entities	436	7,072	399	661
Foreign entities	1,658,814	1,826,899	1,525,628	1,692,048
	76,053,271	72,044,655	36,633,941	36,371,882

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A13. LOANS, ADVANCES AND FINANCING (Cont.)

	The Group		The Bank	
	30/9/2025 RM'000	31/12/2024 RM'000	30/9/2025 RM'000	31/12/2024 RM'000
(d) <u>BY INTEREST / PROFIT RATE SENSITIVITY</u>				
Fixed rate:				
- Housing loans/financing	202,733	201,013	132,750	134,700
- Hire purchase receivables	15,388,662	15,224,681	7,272,682	7,995,052
- Other fixed rate loans/financing	914,277	1,455,208	555,861	566,573
Variable rate:				
- Base lending rate and base rate plus	28,730,084	28,954,603	15,163,667	15,259,536
- Cost plus	10,365,537	10,069,169	4,612,921	4,581,816
- Others variable rates	20,451,978	16,139,981	8,896,060	7,834,205
	76,053,271	72,044,655	36,633,941	36,371,882
(e) <u>BY ECONOMIC SECTORS</u>				
Primary agriculture	1,541,142	1,411,019	667,825	664,463
Mining and quarrying	86,466	106,498	55,699	48,787
Manufacturing	4,332,291	4,407,474	2,682,703	2,924,282
Electricity, gas and water supply	576,152	477,639	52,953	63,697
Construction	2,543,862	2,455,996	1,243,360	1,262,568
Real estate	4,383,679	4,568,302	2,997,503	3,321,139
Wholesale, retail trade, hotels and restaurants	6,084,809	6,175,182	4,362,683	4,554,894
Transport, storage and communication	2,938,141	3,252,058	1,835,105	2,100,736
Finance, insurance and business services	2,327,740	2,240,367	1,257,704	1,289,002
Education, health and others	2,650,132	1,922,851	1,009,000	527,308
Household	48,587,780	45,025,501	20,468,760	19,613,720
Others	1,077	1,768	646	1,286
	76,053,271	72,044,655	36,633,941	36,371,882
(f) <u>BY ECONOMIC PURPOSE</u>				
Purchase of securities	5,138,257	4,125,098	530,992	306,041
Purchase of transport vehicles	16,877,461	16,569,587	7,549,336	8,379,180
Purchase of landed properties of which:				
- Residential	23,353,444	22,178,419	12,798,817	11,680,416
- Non-residential	6,584,217	6,728,751	4,455,448	4,659,922
Fixed assets other than land and building	447,222	461,013	197,765	203,948
Personal use	5,678,904	4,763,966	709,560	632,086
Credit card	579,747	515,922	461,689	421,941
Consumer durable	514	320	163	14
Construction	2,238,139	2,155,973	1,382,555	1,318,622
Merger and acquisition	91,353	87,026	-	-
Working capital	12,284,651	11,545,408	6,515,267	6,735,630
Others	2,779,362	2,913,172	2,032,349	2,034,082
	76,053,271	72,044,655	36,633,941	36,371,882

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A13. LOANS, ADVANCES AND FINANCING (Cont.)

(g) <u>BY GEOGRAPHICAL DISTRIBUTION</u>	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
Perlis	168,041	153,572	16,050	17,220
Kedah	2,643,584	2,359,430	699,689	677,138
Pulau Pinang	4,055,852	4,248,905	2,217,619	2,337,033
Perak	2,277,910	2,087,763	753,502	800,432
Selangor	23,243,925	22,038,580	10,790,468	10,960,501
Wilayah Persekutuan	14,470,472	14,892,730	7,285,330	7,245,392
Negeri Sembilan	2,764,135	2,592,694	938,716	909,488
Melaka	1,304,213	1,230,047	573,023	596,564
Johor	11,670,928	10,563,453	7,114,254	6,474,257
Pahang	2,277,100	2,199,430	897,594	925,301
Terengganu	1,270,518	1,211,472	163,330	175,494
Kelantan	996,157	881,357	54,492	38,659
Sarawak	3,661,803	3,207,311	2,233,317	2,107,514
Sabah	2,614,502	2,602,905	1,471,773	1,578,753
Labuan	450,562	487,209	262,040	263,023
Putrajaya	1,078,832	-	79,930	-
Outside Malaysia	1,104,737	1,287,797	1,082,814	1,265,113
	76,053,271	72,044,655	36,633,941	36,371,882

(h) IMPAIRED LOANS, ADVANCES AND FINANCING

(i) Movements of impaired loans, advances and financing

At beginning of the financial period/year	1,398,005	1,265,411	1,067,037	973,145
Classified as impaired	846,826	1,165,240	524,232	675,154
Reclassified as non-impaired	(441,095)	(467,156)	(239,703)	(226,793)
Amount recovered	(140,964)	(229,669)	(113,281)	(87,743)
Amount written-off	(244,789)	(335,821)	(142,005)	(266,726)
At end of the financial period/year	1,417,983	1,398,005	1,096,280	1,067,037
Ratio of gross impaired loans, advances and financing to gross loans, advances and financing (*)	1.86%	1.94%	2.83%	2.72%

(*) For the Bank, restricted investment accounts ('RIA') amounting to RM2,546,711,000 (2024: RM3,259,649,000) with impaired financing amounting to RM11,431,000 (2024: RM11,382,000), were included in the ratio calculation.

The outstanding contractual amounts of such assets written-off during the financial period amounting to RM244,789,000 (2024: RM335,821,000) for the Group and RM142,005,000 (2024: RM266,726,000) for the Bank respectively.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A13. LOANS, ADVANCES AND FINANCING (Cont.)

(h) IMPAIRED LOANS, ADVANCES AND FINANCING (Cont.)

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
(ii) <u>Impaired loans by economic sectors</u>				
Primary agriculture	4,178	10,510	3,865	10,334
Mining and quarrying	7,289	8,811	7,289	8,811
Manufacturing	74,621	56,684	67,806	50,259
Electricity, gas and water supply	3,965	11,499	3,965	11,457
Construction	117,992	138,757	94,836	110,502
Real estate	264,579	338,063	252,925	297,531
Wholesale, retail trade, hotels and restaurants	277,272	220,703	231,338	174,156
Transport, storage and communication	101,188	93,589	93,431	86,404
Finance, insurance and business services	33,987	26,509	19,932	12,613
Education, health and others	14,354	14,186	12,394	11,889
Household	518,558	478,694	308,499	293,081
	1,417,983	1,398,005	1,096,280	1,067,037
(iii) <u>Impaired loans by economic purpose</u>				
Purchase of securities	113	19,098	58	2
Purchase of transport vehicles	92,209	76,865	40,851	38,537
Purchase of landed properties of which:				
- Residential	382,578	378,797	236,373	246,858
- Non-residential	236,569	200,436	204,866	162,760
Fixed assets other than land and building	5,952	11,551	5,952	11,551
Personal use	37,984	30,563	16,309	13,657
Credit card	3,623	1,885	3,138	1,657
Construction	170,351	181,462	170,351	181,462
Working capital	454,858	468,528	385,672	388,686
Others	33,746	28,820	32,710	21,867
	1,417,983	1,398,005	1,096,280	1,067,037
(iv) <u>Impaired loans by geographical distribution</u>				
Perlis	4,251	3,962	7	68
Kedah	33,557	61,163	11,382	37,471
Pulau Pinang	68,494	68,942	51,886	53,961
Perak	73,152	125,371	62,920	114,802
Selangor	513,866	467,092	384,824	317,513
Wilayah Persekutuan	449,102	421,591	389,340	367,969
Negeri Sembilan	33,883	36,266	17,056	22,192
Melaka	71,224	77,180	62,712	63,901
Johor	96,733	66,798	73,586	42,524
Pahang	21,476	35,053	11,921	28,217
Terengganu	4,388	4,028	773	578
Kelantan	11,979	9,080	795	360
Sarawak	16,522	7,286	14,756	6,761
Sabah	19,159	14,193	14,303	10,720
Labuan	117	-	4	-
Outside Malaysia	80	-	15	-
	1,417,983	1,398,005	1,096,280	1,067,037

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A13. LOANS, ADVANCES AND FINANCING (Cont.)

(h) IMPAIRED LOANS, ADVANCES AND FINANCING (Cont.)

(v) Movements in ECL for loans, advances and financing

The Group	12-Month	Lifetime ECL	Lifetime ECL	
30/9/2025	ECL	not credit	credit	
	Stage 1	impaired	impaired	Total
	RM'000	Stage 2	Stage 3	RM'000
		RM'000	RM'000	
At beginning of the financial period	149,185	504,490	498,895	1,152,570
Total transfer between stages due to change in credit risk:	(808,835)	864,347	(55,512)	-
- Transfer to 12-month ECL (Stage 1)	93,605	(74,946)	(18,659)	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(898,500)	981,722	(83,222)	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	(3,940)	(42,429)	46,369	-
Loans/financing derecognised (other than write-off)	(38,678)	(927,764)	(16,282)	(982,724)
New loans/financing originated or purchased	942,257	-	-	942,257
Changes due to change in credit risk	(93,742)	(97,412)	230,070	38,916
Write-off	-	-	(169,926)	(169,926)
Other adjustments	(68)	(27)	16,553	16,458
At end of the financial period	150,119	343,634	503,798	997,551

The Group	12-Month	Lifetime ECL	Lifetime ECL	
31/12/2024	ECL	not credit	credit	
	Stage 1	impaired	impaired	Total
	RM'000	Stage 2	Stage 3	RM'000
		RM'000	RM'000	
At beginning of the financial year	149,260	704,665	583,947	1,437,872
Total transfer between stages due to change in credit risk:	(116,467)	130,781	(14,314)	-
- Transfer to 12-month ECL (Stage 1)	111,925	(99,145)	(12,780)	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(198,254)	302,463	(104,209)	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	(30,138)	(72,537)	102,675	-
Loans/financing derecognised (other than write-off)	(61,011)	(326,640)	(60,350)	(448,001)
New loans/financing originated or purchased	287,718	-	-	287,718
Changes due to change in credit risk	(110,326)	(4,427)	203,793	89,040
Write-off	-	-	(251,623)	(251,623)
Other adjustments	11	111	37,442	37,564
At end of the financial year	149,185	504,490	498,895	1,152,570

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A13. LOANS, ADVANCES AND FINANCING (Cont.)

(h) IMPAIRED LOANS, ADVANCES AND FINANCING (Cont.)

(v) Movements in ECL for loans, advances and financing (Cont.)

The Bank 30/9/2025	12-Month ECL Stage 1 RM'000	Lifetime ECL not credit impaired Stage 2 RM'000	Lifetime ECL credit impaired Stage 3 RM'000	Total RM'000
At beginning of the financial period	83,625	286,670	361,573	731,868
Total transfer between stages due to change in credit risk:	10,977	13,873	(24,850)	-
- Transfer to 12-month ECL (Stage 1)	51,449	(40,499)	(10,950)	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(36,558)	81,308	(44,750)	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	(3,914)	(26,936)	30,850	-
Loans/financing derecognised (other than write-off)	(25,869)	(29,679)	(14,471)	(70,019)
New loans/financing originated or purchased	62,339	-	-	62,339
Changes due to change in credit risk	(47,822)	(88,485)	154,236	17,929
Write-off	-	-	(96,303)	(96,303)
Other adjustments	(46)	(23)	11,413	11,344
At end of the financial period	83,204	182,356	391,598	657,158

The Bank 31/12/2024	12-Month ECL Stage 1 RM'000	Lifetime ECL not credit impaired Stage 2 RM'000	Lifetime ECL credit impaired Stage 3 RM'000	Total RM'000
At beginning of the financial year	95,645	392,797	469,349	957,791
Total transfer between stages due to change in credit risk:	(8,601)	(5,896)	14,497	-
- Transfer to 12-month ECL (Stage 1)	75,619	(70,871)	(4,748)	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(55,819)	109,686	(53,867)	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	(28,401)	(44,711)	73,112	-
Loans/financing derecognised (other than write-off)	(44,492)	(123,972)	(42,443)	(210,907)
New loans/financing originated or purchased	117,434	-	-	117,434
Changes due to change in credit risk	(76,339)	23,717	91,322	38,700
Write-off	-	-	(196,304)	(196,304)
Other adjustments	(22)	24	25,152	25,154
At end of the financial year	83,625	286,670	361,573	731,868

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A14. AMOUNT DUE FROM CLIENTS AND BROKERS

	The Group	
	30/9/2025	31/12/2024
	RM'000	RM'000
Amount due from stock-broking clients:		
- performing accounts	330,729	293,933
- impaired accounts (i)	150	151
Amount due from brokers	86,782	60,110
Amount due from Bursa Securities Clearing Sdn Bhd	95,620	159,940
Less: ECL (ii)	(251)	(227)
	513,030	513,907
(i) Movements of impaired amount due from stock-broking clients		
At beginning of the financial period/year	151	114
Classified as impaired	1,831	3,809
Reclassified as non-impaired	(1,832)	(3,772)
At end of the financial period/year	150	151
(ii) Movements in ECL		
At beginning of the financial period/year	227	223
Allowance made	1,883	3,957
Amount written-back	(1,859)	(3,953)
At end of the financial period/year	251	227

A15. OTHER ASSETS

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
Other debtors	475,797	437,041	272,611	262,298
Prepayments and deposits	208,862	165,006	114,016	88,510
Cheque clearing accounts	28,485	74,038	33,554	36,893
Foreclosed properties (i)	8,724	8,724	5,901	5,901
	721,868	684,809	426,082	393,602
Less: ECL (ii)	(20,837)	(21,067)	(9,290)	(9,290)
	701,031	663,742	416,792	384,312
(i) Foreclosed properties				
At beginning of the financial period/year	8,724	19,316	5,901	5,901
Disposal	-	(10,592)	-	-
At end of the financial period/year	8,724	8,724	5,901	5,901
(ii) Movements in ECL				
At beginning of the financial period/year	21,067	23,251	9,290	20,966
Allowance made	290	32,343	-	9,290
Amount written-back	(520)	(34,527)	-	(20,966)
At end of the financial period/year	20,837	21,067	9,290	9,290

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A16. OTHER LIABILITIES

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
BNM and Credit Guarantee Corporation Funding programmes (a)	184,079	217,603	146,171	196,227
Margin and collateral deposits	187,863	128,852	147,135	102,476
Other creditors and accruals	394,759	291,487	226,579	145,045
Sundry creditors	585,148	518,993	508,431	489,463
Provision for zakat	6,868	6,301	1,303	1,048
Defined contribution plan (b)	30,379	37,114	28,363	34,822
Accrued employee benefits	102,552	168,291	74,493	120,024
Unearned income	122,059	121,481	37,033	34,931
Commissioned dealer's representatives trust balances	61,194	62,890	-	-
Collaterals pledged for securities borrowing and lending transactions	165,948	202,696	-	-
Amounts payable to commissioned and salaried dealer's representatives	41,162	54,515	-	-
Structured Investment Products	321,417	-	-	-
Add: ECL (c)				
- loan/financing commitments and financial guarantees	18,795	16,799	12,899	11,709
	2,222,223	1,827,022	1,182,407	1,135,745

(a) Includes monies received by the Group and the Bank under government financing scheme 'BNM SRF SME Fund' and 'SRF Tourism Fund' as part of the government support measures in response to COVID-19 for the purpose of SME lending with a six-year maturity amounting to RM115,183,000 (2024: RM160,758,000). The financing under the government scheme is for lending at concession rates to SMEs.

(b) The Group and the Bank contribute to EPF, the national defined contribution plan. Once the contributions have been paid, the Group and the Bank have no further payment obligations.

	Group		Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
(c) Movement in ECL				
At beginning of the financial period/year	16,799	49,117	11,709	15,067
Net remeasurement of loss allowance	2,309	(32,061)	2,124	(3,684)
New loan commitments and financial guarantees issued	6,433	13,400	4,469	10,292
Loan commitment and financial guarantees derecognised	(6,746)	(13,657)	(5,403)	(9,966)
At end of the financial period/year	18,795	16,799	12,899	11,709

A17. RESERVES

	Group		Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
FVOCI revaluation reserves (a)	298,720	170,624	264,345	207,027
Regulatory reserves (b)	655,789	473,143	446,563	335,563
Other reserves (c)	15,904	3,493	30,976	17,241
Retained profits	5,695,402	5,465,488	4,228,190	4,126,004
	6,665,815	6,112,748	4,970,074	4,685,835

(a) FVOCI revaluation reserves represent the unrealised gains or losses arising from the change in fair value of investments classified as financial investments at FVOCI. The gains or losses are transferred to the income statement upon disposal or when the securities become impaired.

(b) Pursuant to BNM Financial Reporting policy dated 29 April 2022, the Group and the Bank must maintain, in aggregate, loss allowance for non-credit-impaired exposures and regulatory reserves of no less than 1% of all credit exposures, net of loss allowance for credit-impaired exposures.

(c) Included in these other reserves are the Long Term Incentive Plan ('LTIP') and share of insurance finance reserve from the associates.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A18. INTEREST INCOME

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
The Group				
Loan, advances and financing	507,278	556,455	1,548,792	1,609,873
Money at call and deposits placements with financial institutions	34,260	23,424	67,671	71,556
Reverse repurchase agreements with financial institutions	605	6	1,293	399
Financial investments at FVOCI	102,226	106,380	317,191	288,502
Financial investments at AC	79,372	89,903	236,657	278,137
Others	2,478	2,367	6,483	5,935
	726,219	778,535	2,178,087	2,254,402
The Bank				
Loan, advances and financing	439,374	461,009	1,326,228	1,357,070
Money at call and deposits placements with financial institutions	60,634	73,242	169,567	198,646
Reverse repurchase agreements with financial institutions	605	46	1,293	439
Financial investments at FVOCI	72,352	69,793	218,022	183,702
Financial investments at AC	80,335	95,545	241,715	285,283
Others	33	615	635	1,401
	653,333	700,250	1,957,460	2,026,541

A19. INTEREST EXPENSE

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
The Group				
Deposits from customers	349,763	387,355	1,053,416	1,171,723
Deposits and placements of banks and other financial institutions	56,786	74,602	173,726	200,454
Obligation on securities sold under repurchase agreements	35,738	50,344	133,886	146,749
Loans sold to Cagamas Berhad	34,813	24,480	99,394	74,683
Borrowings and Sukuk	37,917	18,650	80,578	42,262
Others	3,556	8,484	10,660	17,866
	518,573	563,915	1,551,660	1,653,737
The Bank				
Deposits from customers	299,936	354,960	914,706	1,051,820
Deposits and placements of banks and other financial institutions	59,225	73,006	167,555	192,030
Obligation on securities sold under repurchase agreements	35,738	48,220	130,485	136,845
Loans sold to Cagamas Berhad	34,813	24,480	99,394	74,683
Borrowings and Sukuk	37,917	18,654	80,664	42,266
Others	1,205	1,469	3,553	3,681
	468,834	520,789	1,396,357	1,501,325

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A20. NET FEE AND COMMISSION INCOME

The Group	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025 RM'000	30/9/2024 RM'000	30/9/2025 RM'000	30/9/2024 RM'000
Fee and commission income:				
Gross brokerage fee income	31,259	29,509	79,441	72,731
Corporate advisory fees	1,113	1,351	5,113	4,026
Commission	15,064	12,641	37,012	36,207
Service charges and fees	23,180	20,772	63,579	79,953
Guarantee fees	3,610	3,958	10,455	10,932
Arrangement fees	143	726	931	1,336
Other fee income	10,040	9,972	29,937	25,962
	84,409	78,929	226,468	231,147
Fee and commission expense:				
Commission and referral expense	(5,172)	(4,593)	(16,393)	(11,885)
Brokerage fee expense	(5,278)	-	(17,848)	-
	(10,450)	(4,593)	(34,241)	(11,885)
Net fee and commission income	73,959	74,336	192,227	219,262
The Bank				
Fee and commission income:				
Commission	14,994	12,602	36,928	35,995
Service charges and fees	23,061	20,691	63,247	79,704
Guarantee fees	3,460	3,420	9,946	9,944
Other fee income	292	302	874	664
	41,807	37,015	110,995	126,307
Fee and commission expense:				
Commission and referral expense	(5,172)	(4,593)	(16,393)	(11,885)
Net fee and commission income	36,635	32,422	94,602	114,422

A21. NET GAINS ON FINANCIAL INSTRUMENTS

The Group	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025 RM'000	30/9/2024 RM'000	30/9/2025 RM'000	30/9/2024 RM'000
Income from financial instruments:				
Gains/(losses) arising on financial assets at FVTPL:				
- net gain on disposal	14,370	6,401	59,170	39,752
- unrealised (losses)/gains	(4,106)	693	(1,001)	11,554
- interest/profit income	16,210	21,186	67,118	52,156
- gross dividend income	1,043	1,836	2,730	3,525
Gains/(losses) on derivatives instruments:				
- realised gains/(losses)	17,141	(1,736)	23,313	(11,150)
- unrealised gains/(losses)	2,218	966	(56,276)	(4,945)
- interest/profit income	(8,403)	(9,709)	1,939	11,809
Gains arising on financial investments at FVOCI:				
- net gain on disposal	51,914	9,543	112,231	10,197
- gross dividend income	220	220	882	882
Unrealised (losses)/gains on fair value changes arising from fair value hedges	(8,198)	6,911	(2,242)	13,443
Net gains on financial instruments	82,409	36,311	207,864	127,223

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A21. NET GAINS ON FINANCIAL INSTRUMENTS (Cont.)

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
The Bank				
Income from financial instruments:				
Gains/(losses) arising on financial assets at FVTPL:				
- net gain on disposal	9,144	889	29,545	1,077
- unrealised (losses)/gains	(3,832)	4,233	10,541	9,729
- interest income	13,953	14,987	54,759	32,508
- gross dividend income	550	513	1,639	1,533
Gains/(losses) on derivatives instruments:				
- realised gains/(losses)	1,367	(364)	8,253	(136)
- unrealised gains/(losses)	7,367	1,319	(48,541)	(2,412)
- interest income	(7,644)	(10,166)	1,209	10,522
Gains arising on financial investments at FVOCI:				
- net gain on disposal	39,129	7,556	78,570	11,544
- gross dividend income	183	183	732	732
Unrealised gains on fair value changes arising from fair value hedges	(8,198)	6,911	(2,242)	13,443
Net gains on financial instruments	52,019	26,061	134,465	78,540

A22. OTHER INCOME

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
The Group				
Foreign exchange (losses)/gains:				
- realised	(24,481)	1,130,128	461,219	1,216,640
- unrealised	26,857	(1,012,964)	(381,281)	(1,053,507)
Rental income	513	6,433	2,128	356
Gains/(losses) on disposal of property and equipment	1,945	(113)	1,881	142
Gains on disposal of right-of-use assets	511	-	511	-
Other non-operating income	1,064	(4,935)	3,049	3,213
Total other income	6,409	118,549	87,507	166,844
The Bank				
Foreign exchange (losses)/gains:				
- realised	(16,788)	1,086,323	409,588	1,107,364
- unrealised	19,663	(964,855)	(333,524)	(944,699)
Rental income	2,302	1,748	6,358	6,213
Gains on disposal of property and equipment	1,945	2	1,881	112
Gains on disposal of right-of-use assets	511	-	511	-
Other non-operating income	18,294	5,770	49,402	18,160
Gross dividend received from:				
- subsidiaries	-	-	80,959	1,369
- associates	32,700	64,800	32,700	64,800
Total other income	58,627	193,788	247,875	253,319

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A23. OTHER OPERATING EXPENSES

The Group	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025 RM'000	30/9/2024 RM'000	30/9/2025 RM'000	30/9/2024 RM'000
<u>Personnel costs</u>				
Wages, salaries and bonus	192,550	215,057	540,524	560,471
Defined contribution plan	34,062	37,889	94,189	97,266
Voluntary separation scheme	-	797	4,874	797
Employee benefits share grant scheme ('SGS')	4,578	4,967	13,735	8,425
Other personnel costs	33,237	23,544	90,564	70,232
	264,427	282,254	743,886	737,191
<u>Promotion and marketing-related expenses</u>				
Business promotion and advertisement	6,774	5,943	17,421	20,650
Entertainment	1,227	312	2,171	1,802
Traveling and accommodation	1,143	1,419	3,308	4,343
Commission and brokerage expenses	6,128	3,023	13,967	11,095
Other marketing expenses	1,544	1,554	4,800	5,453
	16,816	12,251	41,667	43,343
<u>Establishment expenses</u>				
Equipment rental	1,933	1,390	3,951	3,249
Repair and maintenance	49,656	58,970	125,769	131,037
Depreciation of property and equipment	17,356	17,372	51,233	52,485
Depreciation of investment property	651	-	1,949	-
Depreciation of right-of-use assets	9,604	8,814	28,433	26,044
Amortisation of intangible assets	5,309	4,503	15,939	14,731
IT consultancy fee	580	310	3,725	587
Dataline rental	14,490	9,993	42,850	28,611
Security services	6,157	4,750	17,909	14,351
Electricity, water and sewerage	4,393	4,486	11,656	12,622
Insurance/Takaful and indemnities	6,806	5,610	20,196	19,172
Other establishment costs	5,035	4,068	14,743	8,718
	121,970	120,266	338,353	311,607
<u>General and administrative expenses</u>				
Telecommunication expenses	4,334	3,529	10,539	10,787
Auditors' remuneration	699	915	2,432	2,773
Professional fees	4,839	3,885	17,951	12,962
Property and equipment written-off	9	845	80	2,776
Mail and courier charges	849	821	2,606	2,245
Stationery and consumables	3,863	4,870	10,742	12,443
Directors' fees and allowances	2,201	2,050	6,199	6,013
Donations	934	927	3,527	2,279
Settlement, clearing and bank charges	12,022	8,834	34,466	26,933
Stamp duties	184	1,375	286	1,511
Operational and litigation write-off expenses	(1,645)	10	4,741	16
Subscription fees	3,704	3,005	11,348	8,792
Other administration and general expenses	4,922	10,083	10,435	20,958
	36,915	41,149	115,352	110,488
Total other operating expenses	440,128	455,920	1,239,258	1,202,629

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A23. OTHER OPERATING EXPENSES (Cont.)

The Bank	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
<u>Personnel costs</u>				
Wages, salaries and bonus	119,211	136,180	322,067	347,463
Defined contribution plan	21,338	24,738	58,475	61,515
Voluntary separation scheme	-	797	4,874	797
Employee benefits share grant scheme ('SGS')	4,293	2,806	12,879	5,997
Other personnel costs	15,320	22,222	49,412	60,731
	160,162	186,743	447,707	476,503
<u>Promotion and marketing-related expenses</u>				
Business promotion and advertisement	6,110	5,572	15,756	19,705
Entertainment	797	137	1,346	1,265
Travelling and accommodation	460	834	1,469	2,619
Commission and brokerage expenses	5,646	2,971	12,930	10,396
Others marketing expenses	424	794	2,028	2,173
	13,437	10,308	33,529	36,158
<u>Establishment expenses</u>				
Equipment rental	1,701	1,180	3,290	2,607
Repair and maintenance	18,876	42,456	63,200	80,584
Depreciation of property and equipment	16,481	16,696	48,601	50,342
Depreciation of investment property	895	-	2,680	-
Depreciation of right-of-use assets	8,263	7,091	24,450	21,811
Amortisation of intangible assets	5,080	4,295	15,248	14,050
IT consultancy fee	580	310	3,725	587
Dataline rental	12,339	7,545	35,792	21,274
Security services	4,270	3,211	12,910	9,724
Electricity, water and sewerage	3,079	2,860	7,235	7,929
Insurance/Takaful and indemnities	2,470	4,533	12,596	13,816
Other establishment costs	11,851	1,381	7,788	1,630
	85,885	91,558	237,515	224,354
<u>General and administrative expenses</u>				
Telecommunication expenses	348	521	362	1,702
Auditors' remuneration	390	661	1,299	2,007
Professional fees	2,772	232	12,393	669
Property and equipment written-off	9	842	80	2,518
Mail and courier charges	818	517	2,526	1,331
Stationery and consumables	3,456	2,946	9,345	6,683
Directors' fees and allowances	978	888	2,678	2,567
Donations	801	583	3,349	1,874
Settlement, clearing and bank charges	10,439	8,679	29,540	23,806
Stamp duties	107	41	189	86
Operational and litigation write-off expenses	(1,645)	10	4,741	16
Subscription fees	-	-	-	3
Other administration and general expenses	2,191	9,598	1,838	25,076
	20,664	25,518	68,340	68,338
Total other operating expenses	280,148	314,127	787,091	805,353

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A24. (WRITE-BACK OF)/ALLOWANCES FOR CREDIT IMPAIRMENT LOSSES

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
The Group				
ECL (written-back)/made on:				
- loans, advances and financing	(35,131)	(193)	(1,646)	(16,719)
- amount due from clients and brokers	(21)	39	24	84
- securities and placements	(1,692)	(34,945)	(12,920)	(68,529)
- loan/financing commitments and financial guarantee	2,896	(15,669)	1,996	(27,451)
Bad debts and financing:				
- recovered	(16,742)	(21,108)	(40,125)	(37,704)
- written-off	16,037	17,118	61,176	61,716
	<u>(34,653)</u>	<u>(54,758)</u>	<u>8,505</u>	<u>(88,603)</u>
The Bank				
ECL (written-back)/made on:				
- loans, advances and financing	(8,230)	(8,682)	10,180	(35,628)
- securities and placements	(1,999)	(16,870)	(13,512)	(46,509)
- loan/financing commitments and financial guarantee	2,196	1,690	1,190	(46)
Bad debts and financing:				
- recovered	(10,157)	(15,784)	(27,141)	(25,704)
- written-off	8,743	12,203	34,240	51,261
	<u>(9,447)</u>	<u>(27,443)</u>	<u>4,957</u>	<u>(56,626)</u>

A25. ALLOWANCES FOR/(WRITE-BACK OF) IMPAIRMENT LOSSES ON OTHER ASSETS

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
The Group				
Allowance for impairment made on/(written-back):				
- amount due from joint ventures	-	-	6,484	32
- other debtors	(99)	15,912	(227)	19,034
	<u>(99)</u>	<u>15,912</u>	<u>6,257</u>	<u>19,066</u>
The Bank				
Allowance for impairment made on:				
- other debtors	-	9,290	-	9,290

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A26. SEGMENTAL INFORMATION

The segment analysis for the individual and cumulative quarters ended 30 September 2025 and 30 September 2024 are as follows:

Current year's individual quarter ended 30 September 2025:

	Commercial Banking RM'000	Investment Banking RM'000	Insurance RM'000	Others RM'000	Elimination RM'000	Total RM'000
Net interest income						
External income/(expense)	182,955	25,036	-	(6)	-	207,985
Intersegment income/(expense)	4,290	(4,344)	-	54	(339)	(339)
Total net interest income	187,245	20,692	-	48	(339)	207,646
Income from Islamic banking business	217,187	-	-	-	365	217,552
Net non-interest income	145,450	66,281	-	7,841	(56,795)	162,777
Total segment revenue	549,882	86,973	-	7,889	(56,769)	587,975
Operating expenses	(388,631)	(63,355)	-	(10,002)	21,860	(440,128)
of which:						
Depreciation of property and equipment	(16,515)	(517)	-	(80)	(244)	(17,356)
Depreciation of investment property	(895)	-	-	-	244	(651)
Depreciation of right-of-use assets	(8,292)	(2,354)	-	(117)	1,159	(9,604)
Amortisation of intangible assets	(5,108)	(176)	-	(25)	-	(5,309)
Write-back of impairment losses on loans, advances and financing, amount due from clients and brokers, securities and other assets	33,154	1,598	-	-	-	34,752
Segment results	194,405	25,216	-	(2,113)	(34,909)	182,599
Share of results of associates (net of tax)	-	-	2,000	-	-	2,000
Profit before zakat and taxation	194,405	25,216	2,000	(2,113)	(34,909)	184,599
Zakat	(2,475)	-	-	-	-	(2,475)
Profit before taxation	191,930	25,216	2,000	(2,113)	(34,909)	182,124
Taxation						(37,138)
Net profit for the current individual quarter						144,986

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A26. SEGMENTAL INFORMATION (Cont.)

The segment analysis for the individual and cumulative quarters ended 30 September 2025 and 30 September 2024 are as follows (Cont.):

Preceding year's individual quarter ended 30 September 2024:

	Commercial Banking RM'000	Investment Banking RM'000	Insurance RM'000	Others RM'000	Elimination RM'000	Total RM'000
Net interest income						
External income/(expense)	161,533	53,028	-	(9)	-	214,552
Intersegment income/(expense)	17,045	(17,097)	-	52	68	68
Total net interest income	178,578	35,931	-	43	68	214,620
Income from Islamic banking business	168,952	-	-	-	-	168,952
Net non-interest income	252,325	46,816	-	3,107	(73,052)	229,196
Total segment revenue	599,855	82,747	-	3,150	(72,984)	612,768
Operating expenses	(398,718)	(57,996)	-	(5,584)	6,378	(455,920)
of which:						
Depreciation of property and equipment	(16,731)	(558)	-	(83)	-	(17,372)
Depreciation of right-of-use assets	(7,102)	(2,754)	-	(113)	1,155	(8,814)
Amortisation of intangible assets	(4,323)	(176)	-	(4)	-	(4,503)
(Allowances for)/write-back of impairment losses on loans, advances and financing, amount due from clients and brokers, securities and other assets	(9,373)	47,920	-	-	299	38,846
Segment results	191,764	72,671	-	(2,434)	(66,307)	195,694
Share of results of associates (net of tax)	-	-	7,945	-	-	7,945
Profit before zakat and taxation	191,764	72,671	7,945	(2,434)	(66,307)	203,639
Zakat	(2,013)	-	-	-	-	(2,013)
Profit before taxation	189,751	72,671	7,945	(2,434)	(66,307)	201,626
Taxation						(55,809)
Net profit for the preceeding individual quarter						145,817

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A26. SEGMENTAL INFORMATION (Cont.)

The segment analysis for the individual and cumulative quarters ended 30 September 2025 and 30 September 2024 are as follows (Cont.):

Current year's cumulative quarter ended 30 September 2025:

	Commercial Banking RM'000	Investment Banking RM'000	Insurance RM'000	Others RM'000	Elimination RM'000	Total RM'000
Net interest income						
External income/(expense)	550,342	77,089	-	(18)	-	627,413
Intersegment income/(expense)	16,725	(16,889)	-	164	(986)	(986)
Total net interest income	567,067	60,200	-	146	(986)	626,427
Income from Islamic banking business	633,094	-	-	-	1,087	634,181
Net non-interest income	469,251	175,021	-	14,772	(171,446)	487,598
Total segment revenue	1,669,412	235,221	-	14,918	(171,345)	1,748,206
Operating expenses	(1,093,242)	(172,843)	-	(27,017)	53,844	(1,239,258)
of which:						
Depreciation of property and equipment	(48,704)	(1,553)	-	(245)	(731)	(51,233)
Depreciation of investment property	(2,680)	-	-	-	731	(1,949)
Depreciation of right-of-use assets	(24,535)	(6,892)	-	(337)	3,331	(28,433)
Amortisation of intangible assets	(15,332)	(555)	-	(52)	-	(15,939)
Allowances for impairment						
losses on loans, advances and financing,						
amount due from clients and brokers,						
securities and other assets	(14,267)	(452)	-	-	(43)	(14,762)
Segment results	561,903	61,926	-	(12,099)	(117,544)	494,186
Share of results of associates (net of tax)	-	-	48,380	-	-	48,380
Profit before zakat and taxation	561,903	61,926	48,380	(12,099)	(117,544)	542,566
Zakat	(2,475)	-	-	-	-	(2,475)
Profit before taxation	559,428	61,926	48,380	(12,099)	(117,544)	540,091
Taxation						(127,531)
Net profit for the current cumulative quarter						412,560
Segment assets						
Investment in associates	-	-	850,791	-	-	850,791
Other segment assets	109,131,105	8,445,573	-	4,688	(1,869)	117,579,497
Total segment assets	109,131,105	8,445,573	850,791	4,688	(1,869)	118,430,288
Segment liabilities						
Total segment liabilities	100,227,918	6,018,177	-	29,834	-	106,275,929
Other information						
Capital expenditure	170,851	2,304	-	-	-	173,155

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A26. SEGMENTAL INFORMATION (Cont.)

The segment analysis for the individual and cumulative quarters ended 30 September 2025 and 30 September 2024 are as follows (Cont.):

Preceding year's cumulative quarter ended 30 September 2024:

	Commercial Banking RM'000	Investment Banking RM'000	Insurance RM'000	Others RM'000	Elimination RM'000	Total RM'000
Net interest income						
External income/(expense)	507,212	93,256	-	(28)	-	600,440
Intersegment income/(expense)	23,554	(23,718)	-	164	225	225
Total net interest income	530,766	69,538	-	136	225	600,665
Income from Islamic banking business	498,082	-	-	-	-	498,082
Net non-interest income	446,528	146,375	-	9,908	(89,482)	513,329
Total segment revenue	1,475,376	215,913	-	10,044	(89,257)	1,612,076
Operating expenses	(1,064,827)	(142,527)	-	(15,679)	20,404	(1,202,629)
of which:						
Depreciation of property and equipment	(50,467)	(1,769)	-	(249)	-	(52,485)
Depreciation of right-of-use assets	(21,878)	(7,030)	-	(321)	3,185	(26,044)
Amortisation of intangible assets	(14,162)	(559)	-	(10)	-	(14,731)
Write-back of impairment losses on loans, advances and financing, amount due from clients and brokers, securities and other assets	9,376	51,334	-	-	8,827	69,537
Segment results	419,925	124,720	-	(5,635)	(60,026)	478,984
Share of results of associates (net of tax)	-	-	20,391	-	-	20,391
Profit before zakat and taxation	419,925	124,720	20,391	(5,635)	(60,026)	499,375
Zakat	(3,356)	(1,337)	-	-	-	(4,693)
Profit before taxation	416,569	123,383	20,391	(5,635)	(60,026)	494,682
Taxation						(120,075)
Net profit for the preceding cumulative quarter						374,607
Segment assets						
Investment in associates	-	-	802,060	-	-	802,060
Other segment assets	102,789,366	8,483,495	-	4,672	(5,256)	#####
Total segment assets	102,789,366	8,483,495	802,060	4,672	(5,256)	#####
Segment liabilities						
Total segment liabilities	94,874,492	5,674,692	-	3,879	-	#####
Other information						
Capital expenditure	241,326	3,028	-	(2)	-	244,352

A27. MATERIAL EVENT DURING AND SUBSEQUENT TO THE FINANCIAL PERIOD

ABB had on 20 November 2025 entered into a conditional share purchase agreement ('SPA') with the Shareholders of Pheim Asset Management Sdn Bhd ('Pheim AM') for the Proposed Acquisition of 5,000,000 ordinary shares in Pheim AM ('Pheim AM Shares'), representing the entire equity interest in Pheim AM, for a total purchase consideration of RM50.0 million to be satisfied entirely in cash ('Proposed Acquisition').

Upon completion of the Proposed Acquisition, Pheim AM will become a wholly-owned subsidiary of ABB and the financial results of Pheim AM and its subsidiaries namely Pheim Islamic Asset Management Sdn. Bhd. ('Pheim Islamic AM') and Pheim Unit Trusts Berhad ('Pheim UT') ('Pheim AM Group') will be consolidated into the financial statements of ABB.

The completion of the Proposed Acquisition is subject to the fulfilment of, amongst others:

- the prior approval of Bank Negara Malaysia ('BNM') to be obtained by ABB pursuant to Section 85 of the Financial Services Act 2013 and Paragraph 8.1 of the Policy Document on Equity Investments issued by BNM; and
- each of Pheim AM, Pheim Islamic AM and Pheim UT obtaining the approval of the Securities Commission Malaysia ('SC') for a change in their respective direct or indirect shareholding resulting in a change of its controller or ultimate controller,

within 6 months from the date of the conditional SPA. The conditional SPA also contains either representations and warranties, undertakings and indemnities that are applicable for transactions of this nature.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A28. CHANGES IN THE COMPOSITION OF THE GROUP

There were no significant changes in the composition of the Group during the financial period under review.

A29. 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 their customers. No material losses are anticipated as a result of these transactions. These commitments and contingencies are not secured over the assets of the Group and the Bank. The principal amount of commitments and contingencies constitute the following:

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

	The Group Principal Amount		The Bank Principal Amount	
	30/9/2025 RM'000	31/12/2024 RM'000	30/9/2025 RM'000	31/12/2024 RM'000
Direct credit substitutes *	607,217	547,957	436,419	395,893
Transaction-related contingent items	1,207,645	1,166,378	796,823	715,944
Short-term self-liquidating trade-related contingencies	1,947,529	3,695,873	71,515	43,616
Obligations under an on-going underwriting agreement	21,059	-	-	-
Irrevocable commitments to extend credit				
- Maturity less than one year	11,020,068	10,816,768	5,255,965	4,553,519
- Maturity more than one year	3,652,786	2,640,368	2,467,452	1,827,307
Foreign exchange related contracts #				
- Less than one year	44,812,359	39,087,200	45,278,165	38,404,456
- One year to less than five years	280,385	110,334	199,960	-
- Five years and above				
Interest/profit rate related contracts #				
- Less than one year	7,555,000	2,119,000	5,662,000	1,514,000
- One year to less than five years	21,875,546	18,313,866	17,767,258	13,313,170
- Five years and above	706,940	868,367	706,940	765,342
Equity related contracts	63,078	94,098	-	-
Any commitments that are unconditionally cancelled at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrowers' creditworthiness	2,150,241	-	-	-
Lending of Banks' securities or the posting of securities as collateral by Banks, including instances where these arise out of repo-style transactions. (i.e. repurchase / reverse repurchase and securities lending / borrowing transactions)	3,555,952	3,739,622	3,555,952	3,739,622
Unutilised credit card lines	2,254,799	1,986,666	1,751,736	1,592,949
	101,710,604	85,186,497	83,950,185	66,865,818

* Included in direct credit substitutes above are financial guarantee contracts of RM607,217,000 and RM436,419,000 at the Group and the Bank respectively (2024: RM547,957,000 and RM395,893,000 at the Group and the Bank respectively), of which fair value at the time of issuance is zero.

The fair value of these derivatives have been recognised as 'derivative financial instruments' in the statements of financial position and disclosed in Note A30 to the financial statements.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A30. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts and classified by remaining period to maturity/repricing date (whichever is earlier) as at reporting date are as follows:

	Contract/Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
The Group												
As at 30 September 2025												
<u>Trading derivatives</u>												
Foreign exchange derivatives:												
- Currency forwards	12,703,120	-	-	12,703,120	24,595	-	-	24,595	178,513	-	-	178,513
- Cross currency interest rate swaps	-	80,424	-	80,424	-	2,233	-	2,233	-	2,189	-	2,189
- Currency swaps	32,083,896	-	199,960	32,283,856	39,547	-	7,684	47,231	139,945	-	5,797	145,742
- Currency options	38,602	-	-	38,602	2,164	-	-	2,164	2,121	-	-	2,121
Interest/profit rate derivatives:												
- Interest/profit rate swaps	6,345,000	12,643,890	5,943,761	24,932,651	26,857	85,549	35,768	148,174	32,440	91,620	60,957	185,017
- Interest/profit rate options	-	-	529,422	529,422	-	-	523	523	-	-	523	523
Equity derivatives	63,078	-	-	63,078	-	-	-	-	6,492	-	-	6,492
<u>Hedging derivatives</u>												
Interest/profit rate derivatives:												
- Interest/profit rate swaps	1,210,000	832,290	2,897,834	4,940,124	25,277	2,231	53,560	81,068	20,908	11,825	52,285	85,018
	52,443,696	13,556,604	9,570,977	75,571,277	118,440	90,013	97,535	305,988	380,419	105,634	119,562	605,615
As at 31 December 2024												
<u>Trading derivatives</u>												
Foreign exchange derivatives:												
- Currency forwards	8,546,145	8,762	-	8,554,907	98,766	25	-	98,791	120,727	4	-	120,731
- Cross currency interest rate swaps	8,932	92,802	-	101,734	5	1,062	-	1,067	3	983	-	986
- Currency swaps	30,531,690	8,770	-	30,540,460	159,910	10	-	159,920	77,855	24	-	77,879
- Currency options	14,300	-	-	14,300	59	-	-	59	35	-	-	35
Interest/profit rate derivatives:												
- Interest/profit rate swaps	2,119,000	7,711,000	7,120,675	16,950,675	8,730	59,620	65,884	134,234	6,432	45,656	52,780	104,868
- Interest/profit rate options	-	-	529,422	529,422	-	-	1,125	1,125	-	-	1,125	1,125
Equity derivatives	94,098	-	-	94,098	-	-	-	-	17,197	-	-	17,197
<u>Hedging derivatives</u>												
Interest/profit rate derivatives:												
- Interest/profit rate swaps	-	2,039,761	2,046,087	4,085,848	-	28,493	26,681	55,174	-	26,140	16,975	43,115
	41,314,165	9,861,095	9,696,184	60,871,444	267,470	89,210	93,690	450,370	222,249	72,807	70,880	365,936

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A30. DERIVATIVE FINANCIAL INSTRUMENTS (Cont.)

Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts and classified by remaining period to maturity/repricing date (whichever is earlier) as at reporting date are as follows:
(cont.)

	Contract/Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
The Bank												
As at 30 September 2025												
<u>Trading derivatives</u>												
Foreign exchange derivatives:												
- Currency forwards	11,460,162	-	-	11,460,162	20,667	-	-	20,667	165,419	-	-	165,419
- Currency swaps	33,792,660	-	199,960	33,992,620	41,675	-	7,683	49,358	152,887	-	5,797	158,684
- Currency options	38,602	-	-	38,602	2,164	-	-	2,164	2,121	-	-	2,121
Interest rate derivatives:												
- Interest rate swaps	4,952,000	10,352,837	4,700,761	20,005,598	24,939	76,439	29,624	131,002	29,360	76,461	48,351	154,172
- Interest rate options	-	-	529,422	529,422	-	-	523	523	-	-	523	523
<u>Hedging derivatives</u>												
Interest rate derivatives:												
- Interest rate swaps	710,000	621,080	2,534,809	3,865,889	14,812	1,758	52,326	68,896	12,268	8,663	43,300	64,231
	50,953,424	10,973,917	7,964,952	69,892,293	104,257	78,197	90,156	272,610	362,055	85,124	97,971	545,150
As at 31 December 2024												
<u>Trading derivatives</u>												
Foreign exchange derivatives:												
- Currency forwards	7,444,470	-	-	7,444,470	82,110	-	-	82,110	112,910	-	-	112,910
- Currency swaps	30,950,582	-	-	30,950,582	169,049	-	-	169,049	79,490	-	-	79,490
- Currency options	14,300	-	-	14,300	59	-	-	59	35	-	-	35
Interest rate derivatives:												
- Interest rate swaps	1,514,000	5,638,000	4,957,239	12,109,239	7,977	52,696	53,260	113,933	6,162	39,931	43,175	89,268
- Interest rate options	-	-	529,422	529,422	-	-	1,125	1,125	-	-	1,125	1,125
<u>Hedging derivatives</u>												
Interest rate derivatives:												
- Interest rate swaps	-	1,498,551	1,720,011	3,218,562	-	22,013	24,309	46,322	-	21,126	12,657	33,783
	39,923,352	7,136,551	7,206,672	54,266,575	259,195	74,709	78,694	412,598	198,597	61,057	56,957	316,611

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A30. DERIVATIVE FINANCIAL INSTRUMENTS (Cont.)

Foreign exchange and interest rate related contracts are subject to market risk, credit risk and liquidity risk.

Market risk

Market risk is the potential change in value caused by movement in market rates or prices. The contractual amounts stated above provide only a measure of involvement in these types of transactions and do not represent the amount subject to market risk. Exposure to market risk may be reduced through offsetting on and off-balance sheet positions. As at the reporting date, the notional amount of foreign exchange exposure which was not hedged and hence, exposed to market risk was RM131,985,000 (2024: RM232,265,000), while the notional amount of interest rate contract was RM1,251,690,000 (2024: RM4,983,696,000).

Credit risk

Credit risk arises from the possibility that a counter-party may be unable to meet the terms of a contract in which the commercial bank has a gain position. As at the reporting date, the amounts of foreign exchange and interest rate credit risk, measured in terms of the cost to replace the profitable contracts, was RM553,470,000 (2024: RM598,837,000) and RM626,529,000 (2024: RM590,778,000) respectively. This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity risk

Liquidity risk on derivatives is the risk that the derivative position cannot be closed out promptly. The exposure to liquidity risk is mitigated by entering into transactions where the underlying financial instruments are widely traded and also easily closed out through alternative markets.

Cash Requirement of the Derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as the fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at the reporting date, there is no requirement for the Group to post any additional cash collateral on its derivative contracts.

Related Accounting Policies

The related accounting policies for off-balance sheet financial instruments applied in the condensed interim financial statements are consistent with those applied in the annual financial statements for the year ended 31 December 2024.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A31. CAPITAL ADEQUACY

Capital adequacy ratios of the Group and the Bank are computed in accordance with BNM's Capital Adequacy Framework (Capital Components) updated on 14 June 2024.

The Group and the Bank are currently adopting the Standardised Approach for Credit Risk, Market Risk and Operational Risk. Under the BNM's Capital Adequacy Framework (Capital Components), the minimum capital adequacy requirement for Common Equity Tier 1 Capital Ratio ('CET 1') and Tier 1 Capital Ratio are 7.000% (2024: 7.000%) and 8.500% (2024: 8.500%) respectively for the financial year ended 31 December 2025. The minimum regulatory capital adequacy requirement is 10.500% (2024: 10.500%) for total capital ratio.

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
a) The components of CET 1, Tier 1 and Tier 2 capital:				
<u>CET 1</u>				
Paid-up share capital	5,488,544	5,488,544	5,488,544	5,488,544
Retained profits	5,406,929	5,465,488	4,045,256	4,126,004
Unrealised gains on FVOCI instruments	298,720	170,624	264,345	207,027
Other disclosed reserves	15,904	3,493	30,976	17,241
	11,210,097	11,128,149	9,829,121	9,838,816
Less: Regulatory adjustments:				
- Goodwill and other intangibles	(723,244)	(762,096)	(277,261)	(314,681)
- Deferred tax assets	(68,284)	(114,938)	(16,721)	(43,840)
- 55% of cumulative unrealised gains on FVOCI instruments	(164,296)	(93,843)	(145,390)	(113,865)
- Investment in subsidiaries, joint ventures and associates	(850,791)	(830,917)	(3,982,084)	(3,981,229)
Total CET 1 Capital	9,403,482	9,326,355	5,407,665	5,385,201
<u>Additional Tier 1 Capital</u>				
Additional Tier 1 Capital	1,000,000	1,000,000	500,000	500,000
Total Tier 1 Capital	10,403,482	10,326,355	5,907,665	5,885,201
<u>Tier 2 Capital</u>				
Subordinated MTNs	1,000,000	1,000,000	500,000	500,000
Expected loss provisions [#]	557,625	713,313	277,214	380,792
Total Tier 2 Capital	1,557,625	1,713,313	777,214	880,792
Total Capital	11,961,107	12,039,668	6,684,879	6,765,993
b) The breakdown of risk-weighted assets:				
Credit risk	63,341,094	63,843,561	37,373,614	40,161,190
Market risk	2,881,837	2,839,765	1,987,777	2,005,594
Operational risk	3,482,044	3,877,820	1,910,495	2,175,932
Total risk-weighted assets	69,704,975	70,561,146	41,271,886	44,342,716
c) Capital adequacy ratios:				
<u>Before effect of proposed dividends</u>				
CET 1 capital ratio	13.490%	13.217%	13.103%	12.145%
Tier 1 capital ratio	14.925%	14.635%	14.314%	13.272%
Total capital ratio	17.160%	17.063%	16.197%	15.258%
<u>After effect of proposed dividends</u>				
CET 1 capital ratio	13.490%	13.217%	13.103%	12.145%
Tier 1 capital ratio	14.925%	14.635%	14.314%	13.272%
Total capital ratio	17.160%	17.063%	16.197%	15.258%

[#] Qualifying loss provisions are restricted to allowances on the unimpaired portion of the loans, advances and other financing.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A31. CAPITAL ADEQUACY (Cont.)

In accordance with BNM's Guidelines on Investment Account, the credit and market risk weighted on the assets funded by the RIA are included in calculation of capital adequacy for the Bank. As at 30 September 2025, RIA assets included in the Total Capital Ratio calculation amounted to RM2,546,711,000 (2024: RM3,259,649,000).

The capital adequacy ratios of Affin Islamic Bank Berhad are as follows:

	Economic Entity		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
CET 1 capital ratio	10.933%	11.732%	10.933%	11.732%
Tier 1 capital ratio	12.847%	13.801%	12.847%	13.801%
Total capital ratio	15.646%	17.046%	15.646%	17.046%

The capital adequacy ratios of Affin Hwang Investment Bank Berhad are as follows:

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
CET 1 capital ratio	34.310%	35.273%	34.330%	36.701%
Tier 1 capital ratio	34.310%	35.273%	34.330%	36.701%
Total capital ratio	35.114%	35.944%	35.133%	37.400%

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A32. FAIR VALUE MEASUREMENTS

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

- (a) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities
(b) Level 2 - quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
(c) Level 3 - valuations derived from valuation techniques in which one or more significant inputs are not based on observable market data.

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
The Group				
30 September 2025				
Financial Assets				
Financial assets at FVTPL:				
- Money market instruments	-	1,876,612	-	1,876,612
- Commercial Papers and Corporate Bonds/Sukuk	-	408,813	-	408,813
- Shares and unit trusts	93,714	-	121,937	215,651
	93,714	2,285,425	121,937	2,501,076
Derivative financial instruments	-	305,988	-	305,988
Financial investments at FVOCI:				
- Money market instruments	-	4,210,546	-	4,210,546
- Shares	-	-	268,517	268,517
- Commercial Papers and Corporate Bonds/Sukuk	-	9,029,068	-	9,029,068
	-	13,239,614	268,517	13,508,131
	93,714	15,831,027	390,454	16,315,195
Financial Liabilities				
Derivative financial instruments	-	605,615	-	605,615
31 December 2024				
Financial Assets				
Financial assets at FVTPL:				
- Money market instruments	-	1,176,079	-	1,176,079
- Commercial Papers and Corporate Bonds/Sukuk	-	101,593	-	101,593
- Shares and unit trusts	147,674	-	136,991	284,665
	147,674	1,277,672	136,991	1,562,337
Derivative financial instruments	-	450,370	-	450,370
Financial investments at FVOCI:				
- Money market instruments	-	5,926,062	-	5,926,062
- Shares	-	-	267,251	267,251
- Commercial Papers and Corporate Bonds/Sukuk	-	7,708,144	-	7,708,144
	-	13,634,206	267,251	13,901,457
	147,674	15,362,248	404,242	15,914,164
Financial Liabilities				
Derivative financial instruments	-	365,936	-	365,936

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A32. FAIR VALUE MEASUREMENTS (Cont.)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
The Bank				
30 September 2025				
Financial Assets				
Financial assets at FVTPL:				
- Money market instruments	-	2,710,986	-	2,710,986
- Commercial Papers and Corporate Bonds/Sukuk	-	115,606	-	115,606
- Unquoted shares	-	-	121,937	121,937
	-	2,826,592	121,937	2,948,529
Derivative financial instruments	-	272,610	-	272,610
Financial investments at FVOCI:				
- Money market instruments	-	1,780,499	-	1,780,499
- Unquoted shares	-	-	241,057	241,057
- Commercial Papers and Corporate Bonds/Sukuk	-	5,267,226	-	5,267,226
	-	7,047,725	241,057	7,288,782
	-	10,146,927	362,994	10,509,921
Financial Liabilities				
Derivative financial instruments	-	545,150	-	545,150
31 December 2024				
Financial Assets				
Financial assets at FVTPL:				
- Money market instruments	-	1,688,352	-	1,688,352
- Commercial Papers and Corporate Bonds/Sukuk	-	27,493	-	27,493
- Unquoted shares	-	-	136,991	136,991
	-	1,715,845	136,991	1,852,836
Derivative financial instruments	-	412,598	-	412,598
Financial investments at FVOCI:				
- Money market instruments	-	2,137,637	-	2,137,637
- Unquoted shares	-	-	241,057	241,057
- Commercial Papers and Corporate Bonds/Sukuk	-	3,667,313	-	3,667,313
	-	5,804,950	241,057	6,046,007
	-	7,933,393	378,048	8,311,441
Financial Liabilities				
Derivative financial instruments	-	316,611	-	316,611

Financial instruments are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted prices is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. These would include actively traded listed equities and actively exchange-traded derivatives.

Where fair value is determined using quoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Group and the Bank then determine fair value based upon valuation techniques that use as inputs, market parameters including but not limited to yield curves, volatilities and foreign exchange rates. The majority of valuation techniques employ only observable market data and so reliability of the fair value measurement is high.

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). Such inputs are generally determined based on observable inputs of a similar nature, historical observations on the level of the input or other analytical techniques.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A32. FAIR VALUE MEASUREMENTS (Cont.)

This category includes unquoted shares held for socio economic reasons. Fair values for shares held for socio economic reasons are based on the net tangible assets of the affected companies. The Group's and the Bank's exposure to financial instruments classified as Level 3 comprised a small number of financial instruments which constitute an insignificant component of the Group's and the Bank's portfolio of financial instruments. Hence, changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for the financial assets in Level 3 of the fair value hierarchy.

The Group and the Bank recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred. Transfers between fair value hierarchy primarily due to change in the level of trading activity, change in observable market activity related to an input, reassessment of available pricing information and change in the significance of the unobservable input. There were no transfers between Level 1, 2 and 3 of the fair value hierarchy during the financial period (2024: RM Nil).

The following table presents the changes in Level 3 instruments for the financial period/year ended:

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
At beginning of the financial period/year	404,242	361,242	378,048	336,477
Total (losses)/gains recognised in other comprehensive income	(13,788)	43,000	(15,054)	41,571
At end of the financial period/year	390,454	404,242	362,994	378,048

Effect of changes in significant unobservable assumptions to reasonably possible alternative

As at reporting date, financial instruments measured with valuation techniques using significant unobservable inputs (Level 3) mainly include unquoted shares held for socio-economic purposes.

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A33. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD

(i) Unaudited Statements of Financial Position

	Economic Entity	
	30/9/2025	31/12/2024
	RM'000	RM'000
ASSETS		
Cash and short-term funds	2,216,946	2,442,382
Financial assets at fair value through profit or loss ('FVPTL')	818,339	451,582
Derivative financial instruments	37,038	25,387
Financial investments at fair value through other comprehensive income ('FVOCI')	2,870,380	3,940,222
Financial investments at amortised cost ('AC')	4,466,620	4,594,961
Financing and other financing	36,850,104	33,009,886
Other assets	149,601	174,366
Amount due from joint ventures	-	4,639
Tax recoverable	-	9,042
Deferred tax assets	25,568	39,640
Statutory deposits with Bank Negara Malaysia	286,000	539,000
Property and equipment	1,482	1,090
Right-of-use assets	55	133
Intangible assets	923	1,004
TOTAL ASSETS	47,723,056	45,233,334
LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS		
Deposits from customers	31,291,964	28,762,862
Investment accounts of customers	919,462	757,600
Deposits and placements of banks and other financial institutions	2,994,407	4,164,774
Investment accounts due to designated financial institutions	2,571,305	3,262,300
Derivative financial instruments	46,500	21,357
Recourse obligation on financing sold to Cagamas Berhad	2,525,897	2,125,431
Other liabilities	662,157	256,624
Amount due to holding company	965,027	546,064
Provision for taxation	15,209	-
Lease liabilities	80	162
Subordinated and Senior Sukuk	2,504,112	2,368,791
TOTAL LIABILITIES	44,496,120	42,265,965
ISLAMIC BANKING CAPITAL FUNDS		
Share capital	1,310,000	1,310,000
Reserves	1,916,936	1,657,369
Total Islamic Banking Capital Funds	3,226,936	2,967,369
TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS	47,723,056	45,233,334
COMMITMENTS AND CONTINGENCIES	14,334,603	12,635,865

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A33. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD (Cont.)

(ii) Unaudited Income Statements

	Economic Entity			
	Individual Quarter Ended 30/9/2025	30/9/2024	Cumulative Quarter Ended 30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	504,221	431,784	1,467,118	1,232,803
Income derived from investment of investment accounts	38,550	45,878	129,015	141,845
Income derived from investment of shareholders' funds	46,729	39,018	135,595	115,324
Write-back of/(allowance for) impairment losses on financing and other financing	23,707	(20,611)	(2,826)	(31,013)
Allowance for impairment losses on other assets	-	(6,916)	(6,484)	(6,948)
Total distributable income	613,207	489,153	1,722,418	1,452,011
Income attributable to the depositors and others	(339,801)	(306,297)	(985,290)	(857,713)
Income attributable to the investment accounts holders	(33,054)	(42,313)	(113,599)	(128,627)
Total net income	240,352	140,543	623,529	465,671
Other operating expenses	(108,522)	(84,644)	(306,287)	(259,630)
Profit before zakat and taxation	131,830	55,899	317,242	206,041
Zakat	(2,475)	(2,013)	(2,475)	(3,356)
Profit before taxation	129,355	53,886	314,767	202,685
Taxation	(31,415)	(13,691)	(79,341)	(53,186)
Net profit for the financial period	97,940	40,195	235,426	149,499

(iii) Unaudited Statements of Comprehensive Income

	Economic Entity			
	Individual Quarter Ended 30/9/2025	30/9/2024	Cumulative Quarter Ended 30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	97,940	40,195	235,426	149,499
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit or loss:</u>				
- Net fair value change in financial investments at FVOCI	22,587	28,401	76,530	24,019
- Net credit impairment gain change in financial investments at FVOCI	226	188	355	351
- Net loss on financial investments measured at FVOCI reclassified to profit or loss on disposal (debt instruments)	(17,735)	(2,663)	(45,140)	(4,711)
- Deferred tax on financial investments at FVOCI	(891)	(7,077)	(8,459)	(5,819)
Other comprehensive income for the financial period, net of tax	4,187	18,849	23,286	13,840
Total comprehensive income for the financial period	102,127	59,044	258,712	163,339

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A33. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD (Cont.)

(iv) Unaudited Condensed Statement of Changes in Equity

	Attributable to Equity Holder of the Bank					Total equity RM'000
	Non-distributable				Distributable	
	Share capital RM'000	FVOCI revaluation reserves RM'000	Regulatory reserves RM'000	Other reserves RM'000	Retained profits RM'000	
Economic Entity						
At 1 January 2025	1,310,000	(1,463)	92,468	1,001	1,565,363	2,967,369
Net profit for the financial period	-	-	-	-	235,426	235,426
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	-	23,286	-	-	-	23,286
Total comprehensive income for the financial period	-	23,286	-	-	235,426	258,712
Share grant scheme granted	-	-	-	855	-	855
Transfer to regulatory reserves	-	-	69,200	-	(69,200)	-
At 30 September 2025	1,310,000	21,823	161,668	1,856	1,731,589	3,226,936

	Attributable to Equity Holder of the Bank					Total equity RM'000
	Non-distributable				Distributable	
	Share capital RM'000	FVOCI revaluation reserves RM'000	Regulatory reserves RM'000	Other reserves RM'000	Retained profits RM'000	
Economic Entity						
At 1 January 2024	1,210,000	11,452	46,469	214	1,375,320	2,643,455
Net profit for the financial period	-	-	-	-	149,499	149,499
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	-	13,840	-	-	-	13,840
Total comprehensive income for the financial period	-	13,840	-	-	149,499	163,339
Issued during the financial period	100,000	-	-	-	-	100,000
Share grant scheme granted	-	-	-	502	-	502
Transfer to regulatory reserves	-	-	45,999	-	(45,999)	-
At 30 September 2024	1,310,000	25,292	92,468	716	1,478,820	2,907,296

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A33. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD (Cont.)

	Economic Entity	
	30/9/2025	31/12/2024
(v) Financing and other financing	RM'000	RM'000
<u>By type</u>		
Cash Line-i	972,868	856,320
Term financing:		
- Housing financing	10,410,555	10,342,543
- Hire purchase receivables	9,027,140	7,882,486
- Syndicated financing	1,595,238	1,151,080
- Others term financing	11,696,707	10,405,745
Bills receivables	846,086	136,133
Trust receipts	42,617	22,354
Claims on customers under acceptance credits	1,564,541	1,239,055
Staff financing	145,781	140,107
Credit/charge cards receivables	118,104	94,064
Revolving financing	768,852	1,135,577
Gross financing and other financing	37,188,489	33,405,464
Less: ECL	(338,385)	(395,578)
Total net financing and other financing	36,850,104	33,009,886
(vi) Movements of impaired financing		
At beginning of the financial period/year	305,850	220,978
Classified as impaired	324,439	474,586
Reclassified as non-impaired	(201,392)	(239,033)
Amount recovered	(27,683)	(81,586)
Amount written-off	(79,511)	(69,095)
At end of the financial period/year	321,703	305,850
Ratio of gross impaired financing and other financing to gross financing and other financing (exclude RIA)*	0.90%	0.98%

(*) For the Bank, RIA amounting to RM2,546,711,000 (2024: RM3,259,649,000) with impaired financing amounting to RM11,431,000 (2024: RM11,382,000), were excluded from the ratio calculation.

The outstanding contractual amounts of such assets written-off during the financial period/year for the Bank is RM79,511,000 (2024: RM69,095,000).

Part A - Explanatory Notes pursuant to Malaysian Financial Reporting Standard ('MFRS') 134 and Policy Document on Financial Reporting issued by Bank Negara Malaysia

A33. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD (Cont.)

(vii) Movements in expected credit losses for financing and other financing

	12-Month ECL Stage 1 RM'000	Lifetime ECL not credit impaired Stage 2 RM'000	Lifetime ECL credit impaired Stage 3 RM'000	Total RM'000
Economic Entity				
30/9/2025				
At beginning of the financial period				
Total transfer between stages due to change in credit risk:	64,380	216,903	114,295	395,578
- Transfer to 12-month ECL (Stage 1)	(819,800)	850,465	(30,665)	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	42,110	(34,401)	(7,709)	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	(861,887)	900,359	(38,472)	-
	(23)	(15,493)	15,516	-
Financing derecognised (other than write-off)	(12,444)	(898,085)	(1,811)	(912,340)
New financing originated or purchased	879,867	-	-	879,867
Changes due to change in credit risk	(46,392)	(8,688)	99,366	44,286
Write-off	-	-	(50,597)	(50,597)
Other adjustments	(14)	(4)	(18,391)	(18,409)
At end of the financial period	65,597	160,591	112,197	338,385
Economic Entity				
31/12/2024				
At beginning of the financial year	52,663	294,440	82,275	429,378
Total transfer between stages due to change in credit risk:	(108,497)	137,310	(28,813)	-
- Transfer to 12-month ECL (Stage 1)	35,659	(27,627)	(8,032)	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(142,421)	192,763	(50,342)	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	(1,735)	(27,826)	29,561	-
Financing derecognised (other than write-off)	(16,489)	(188,402)	(5,221)	(210,112)
New financing originated or purchased	170,247	-	-	170,247
Changes due to change in credit risk	(33,573)	(26,447)	112,396	52,376
Write-off	-	-	(55,319)	(55,319)
Other adjustments	29	2	8,977	9,008
At end of the financial year	64,380	216,903	114,295	395,578

(viii) Deposits from customers

	Economic Entity	
	30/9/2025	31/12/2024
	RM'000	RM'000
Qard		
Demand deposits	761,367	6,879,112
Savings deposits	7,612,648	786,248
	8,374,015	7,665,360
Mudarabah		
General investment deposits	27,780	27,660
Tawarruq		
Murabahah term deposits	20,837,273	17,947,587
Commodity Murabahah	494,176	576,349
Savings deposits	544,825	1,373,544
Demand deposit	1,013,895	1,172,362
	22,890,169	21,069,842
Total deposits from customers	31,291,964	28,762,862

Part B - Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. REVIEW OF PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES

Table 1: Financial review for individual and cumulative quarter ended 30 September 2025 against preceding year's corresponding quarter

	Individual Quarter Ended		Changes		Cumulative Quarter Ended		Changes	
	30/9/2025 RM'000	30/9/2024 RM'000	RM'000	%	30/9/2025 RM'000	30/9/2024 RM'000	RM'000	%
Net Income	587,975	612,768	(24,793)	(4.0)	1,748,206	1,612,076	136,130	8.4
Operating Profit	182,599	195,694	(13,095)	(6.7)	494,186	478,984	15,202	3.2
Profit Before Zakat and Tax	184,599	203,639	(19,040)	(9.3)	542,566	499,375	43,191	8.6
Profit Before Tax	182,124	201,626	(19,502)	(9.7)	540,091	494,682	45,409	9.2
Profit After Tax	144,986	145,817	(831)	(0.6)	412,560	374,607	37,953	10.1

i. Analysis of financial performance of current year-to-date vs. previous corresponding year-to-date

The Group reported a Profit Before Taxation ('PBT') of RM540.1 million for the financial period ended 30 September 2025, representing an increase of RM45.4 million or 9.2% compared to RM494.7 million recorded in the previous corresponding period. The increase in PBT was primarily attributed to a higher net income by RM136.1 million, partially offset by an allowance for impairment losses by RM14.8 million, compared to a write-back of impairment losses of RM69.5 million in the previous corresponding period.

Gross loans and financing marked a year-on-year growth of 7.7%, achieving a value of RM76.1 billion, as compared to RM70.1 billion for the corresponding period ended 30 September 2024. Customer deposits increased by 4.5% to RM77.3 billion, while the Current Account and Savings Account ('CASA') ratio dropped to 25.8% as of 30 September 2025, as compared to 26.9% as of 30 September 2024.

As of the end of the financial period on 30 September 2025, the CET 1 Capital Ratio, Tier 1 Capital Ratio and Total Capital Ratio stood at 13.5%, 14.9% and 17.2%, respectively.

Commercial Banking

ABB recorded a PBT of RM246.0 million for the financial period ended 30 September 2025. This represented an increase of RM32.5 million as compared to a PBT of RM213.5 million in the previous corresponding period. The increase in PBT was mainly due to a higher net income of RM66.5 million and lower operating expenses of RM18.3 million, which was partially offset by an allowance for impairment losses by RM5.0 million, compared to a higher write-back of impairment losses of RM47.3 million recorded in the previous corresponding period.

For the nine months ended 30 September 2025, AIBB's PBT rose 55.3% to RM314.8 million from RM202.7 million a year earlier. The increase was driven by RM129.2 million growth in net financing income, partly offset by RM46.7 million higher operating expenses and RM28.7 million more in impairment losses.

Investment Banking

For the financial period ended 30 September 2025, AHIBB Group recorded a lower PBT of RM61.9 million, a decrease of 49.8% over the PBT of RM123.4 million recorded in the previous corresponding period. The decrease in PBT is primarily driven by a higher allowance for impairment losses of RM51.8 million and increased operating expenses resulting from higher management fees of RM30.3 million, which was offset by higher net gains on financial instruments of RM32.4 million.

Insurance

For the financial period ended 30 September 2025, the Group's insurance division reported a share of profit amounting to RM48.4 million, representing an increase of RM28.0 million as compared to the previous corresponding period. The increase was mainly due to better underwriting results.

ii. Analysis of financial performance of current quarter vs. previous year's corresponding quarter

For the current quarter ended 30 September 2025, the Group recorded a PBT of RM182.1 million, a decrease of RM19.5 million from the PBT of RM201.6 million recorded in the same quarter of the preceding year.

The decrease in PBT was primarily attributed to a lower net income by RM24.8 million and a higher allowance for impairment losses by RM4.1 million, which was offset by a lower operating expenses by RM15.8 million.

Commercial Banking

ABB recorded a PBT of RM61.1 million for the quarter ended 30 September 2025, a decrease of RM74.7 million, as compared to the PBT of RM135.8 million in the same quarter of the preceding year. The decrease in PBT was mainly due to a lower foreign exchange gains by RM118.6 million and a lower write-back of impairment losses of RM9.4 million, as compared to a RM18.2 million write-back of impairment losses recorded in the same quarter of the preceding year. The higher PBT was also contributed by higher net gains on financial instruments by RM26.0 million and lower operating expenses by RM34.0 million.

AIBB's PBT for the current quarter was RM129.4 million, which was RM75.5 million higher from a PBT of RM53.9 million last year. This was due to a RM48.6 million increase in net financing income and lower impairment losses of RM51.2 million, which was partially offset by RM23.9 million higher operating expenses.

Part B - Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. REVIEW OF PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES (Cont.)

ii. Analysis of financial performance of current quarter vs. previous year's corresponding quarter (Cont.)

Investment Banking

AHIBB Group reported a PBT of RM25.1 million for the quarter ended 30 September 2025, a decrease by RM47.5 million from the PBT of RM72.7 million reported in the same quarter in the preceding year. The decrease was primarily attributed to an increase in allowance for impairment losses by RM46.3 million.

Insurance

The Group's share of profit after tax for its insurance segment decreased by RM5.9 million to RM2.0 million in the current quarter, as compared to RM7.9 million in the previous corresponding quarter. The decrease was mainly due to lower underwriting result incurred during the quarter.

B2. COMMENTS ON PERFORMANCE OF CURRENT QUARTER AGAINST IMMEDIATE PRECEDING QUARTER'S RESULTS

	Current Financial Quarter	Preceding Financial Quarter	Changes	
	30/9/2025 RM'000	30/6/2025 RM'000	RM'000	%
Net income	587,975	616,302	(28,327)	(4.6)
Operating Profit	182,599	155,436	27,163	17.5
Profit Before Zakat and Tax	184,599	179,816	4,783	2.7
Profit Before Tax	182,124	179,816	2,308	1.3
Profit After Tax	144,986	143,487	1,499	1.0

For the current financial quarter, the Group's PBT reported at RM182.1 million, a marginal increase of RM2.3 million or 1.3% compared to Group's PBT of RM179.8 million recorded in the immediate preceding quarter ended 30 June 2025. The higher PBT was mainly due to a higher write-back of impairment losses of RM75.5 million. The increase in write-back of impairment losses was offset by a lower net income of RM28.3 million, a lower share of results from associates by RM22.4 million, and a higher operating expenses of RM20.1 million in the current financial quarter as compared to the preceding quarter.

Part B - Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B3. ECONOMIC AND BUSINESS OUTLOOK FOR 2025

The Malaysian economy is anticipated to grow moderately by approximately 4.3% in 2025, supported by resilient domestic demand, stable employment conditions and targeted fiscal measures aimed at sustaining investment activity. BNM has maintained the Overnight Policy Rate ('OPR') at 2.75%, reflecting continued confidence in the country's macroeconomic fundamentals. The banking sector is expected to remain resilient, underpinned by strong capital and liquidity positions, sound asset quality and steady loan growth across key segments. The overall economic and financial system outlook remains stable for the year. Additionally, the recent reduction in the US Federal Reserve's interest rates presents a favourable opportunity for the Group to optimise funding costs and enhance investment returns.

Despite a challenging operating environment, the Group and the Bank remains confident in sustaining its growth momentum, supported by healthy business pipelines and continued expansion across core segments. The Group and the Bank continues to prioritise financial resilience through prudent balance sheet management, disciplined cost control and diversification of income streams, while maintaining a focus on asset quality and liquidity strength to support sustainable business growth.

B4. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

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

B5. TAXATION

	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
The Group				
Malaysian income tax				
Current tax expense	48,434	62,918	113,634	127,292
(Over)/under provision in prior financial period	(16,055)	4,073	(16,055)	4,073
Deferred tax expense/(credit):				
- Relating to originating and reversal of temporary differences	4,759	(11,182)	29,952	(11,290)
	37,138	55,809	127,531	120,075
	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
	RM'000	RM'000	RM'000	RM'000
The Bank				
Malaysian income tax				
Current tax expense	13,426	19,459	16,687	24,050
(Over)/under provision in prior financial period	(14,092)	6,150	(14,092)	6,150
Deferred tax expense/(credit):				
- Relating to originating and reversal of temporary differences	303	(998)	30,216	5,910
	(363)	24,611	32,811	36,110

For the current period and the preceding year's corresponding period, the Bank's effective tax rate was lower than the statutory tax rate, mainly due to certain income not subject to tax or subject to lower tax rate, net of certain expenses not deductible for tax purposes.

B6. STATUS OF CORPORATE PROPOSALS

Other than as disclosed in Note A27, there were no corporate proposal reported during the financial period under review.

Part B - Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B7. DEPOSITS, LEASE LIABILITIES AND BORROWINGS

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
(i) Deposits from Customers				
<u>By Types of Deposit:</u>				
Demand Deposits	16,565,018	16,251,930	7,966,629	8,214,689
Savings Deposits	3,342,850	6,131,696	2,036,659	3,971,904
Fixed Deposits	55,473,741	49,863,800	30,674,142	28,032,644
Commodity Murabahah Deposits	494,177	576,349	-	-
Money Market Deposits	210,059	225,506	210,059	225,506
Negotiable Instruments of Deposits ('NID')	1,188,793	660,075	605,088	660,075
Others	25,682	34,163	-	-
	77,300,320	73,743,519	41,492,577	41,104,818
<u>By Maturity structure of fixed deposits, NID and others:</u>				
Due within six months	40,620,148	35,843,215	22,861,549	20,073,937
Six months to one year	15,706,207	14,539,671	8,357,278	8,458,579
One year to three years	360,444	172,748	59,020	158,113
Three years to five years	1,417	2,404	1,383	2,090
	56,688,216	50,558,038	31,279,230	28,692,719
<u>By Types of Customer:</u>				
Government and statutory bodies	15,098,216	14,465,811	5,163,499	5,272,370
Business enterprises	17,927,727	17,972,061	8,426,509	8,298,197
Individuals	33,269,584	34,038,820	21,827,854	24,475,521
Domestic Banking institutions	1,357,780	829,164	801,254	839,178
Domestic non-Banking financial institutions	7,251,112	4,427,691	3,574,429	829,242
Foreign entities	1,221,771	879,551	864,734	615,290
Others	1,174,130	1,130,421	834,298	775,020
	77,300,320	73,743,519	41,492,577	41,104,818
(ii) Deposits and Placement of Banks and Other Financial Institutions				
<u>By Types of Institution:</u>				
Licensed banks	3,119,334	2,953,794	3,689,099	3,339,215
Licensed investment banks	250,259	194,972	-	44,960
Other financial institutions	4,541,715	5,469,645	1,989,148	1,799,414
	7,911,308	8,618,411	5,678,247	5,183,589
<u>By Maturity structure of deposits:</u>				
Due within six months	7,354,603	7,419,943	5,678,247	5,092,622
Six months to one year	152,430	644,047	-	90,967
One year to three years	404,275	554,421	-	-
	7,911,308	8,618,411	5,678,247	5,183,589
(iii) Lease Liabilities				
At beginning of financial year	65,404	45,721	57,251	38,278
Additions	23,516	50,512	23,029	45,898
Interest/Profit expense	1,862	2,258	1,679	1,922
Lease payments	(27,515)	(33,087)	(24,420)	(28,847)
At end of the financial period/year	63,267	65,404	57,539	57,251

Part B - Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B7. DEPOSITS, LEASE LIABILITIES AND BORROWINGS (Cont.)

	The Group		The Bank	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024
	RM'000	RM'000	RM'000	RM'000
(iv) Borrowings and Sukuk				
(a) Tier-2 Subordinated Medium Term Notes ('MTN')	504,452	510,890	504,452	510,890
(b) Additional Tier-1 Capital Securities ('AT1CS')	507,808	500,703	507,808	500,703
(c) Additional Tier-1 Sukuk Wakalah ('AT1S')	512,183	505,808	-	-
(d) MTN Tier-2 Sukuk Murabahah	510,938	470,099	-	-
(e) Senior Sukuk/MTN	3,073,433	1,790,732	1,791,640	503,032
(f) Commercial Paper ('CP')	455,661	-	342,535	4,956
	5,564,475	3,778,232	3,146,435	1,519,581
Fair value changes arising from fair value hedges	(2,507)	(13,352)	(2,507)	(13,352)
	5,561,968	3,764,880	3,143,928	1,506,229

(a) Tier-2 Subordinated Medium Term Notes ('Subordinated MTNs')

ABB had, on 26 July 2022, issued the 3rd series of the Subordinated MTNs amounting to RM500.0 million out of its approved BASEL III Compliant MTN Programme of up to RM6.0 billion in nominal value. The Subordinated MTNs were issued for a tenure of 10 years from the issue date on a 10-year non-callable 5-year basis, at a coupon rate of 5.00%. The Subordinated MTNs were issued for the purpose of general banking business and working capital requirements of ABB.

(b) Additional Tier-1 Capital Securities ('AT1CS')

ABB had, on 23 June 2023, issued the second series of AT1CS of RM500.0 million out of its approved BASEL III Compliant AT1CS Programme of up to RM3.0 billion in nominal value. The second series AT1CS was issued on perpetual non-callable 5-year basis, at a fixed coupon rate of 5.70%. The second series AT1CS was issued for the purpose of general banking business and working capital requirements of ABB.

(c) Additional Tier 1 Sukuk Wakalah ('AT1S')

AIBB had, on 10 October 2023, issued the second tranche of AT1S of RM500.0 million out of its approved BASEL III Compliant Islamic MTN Programme of RM5.0 billion in nominal value. The AT1S was issued on a perpetual non-callable 5 years basis, at a fixed distribution rate of 5.10%. The AT1S was issued for the purpose of general banking business and working capital requirements of AIBB.

(d) MTN Tier-2 Sukuk Murabahah

AIBB had, on 13 October 2023, issued the second tranche of MTN Tier-2 Sukuk Murabahah of RM500.0 million out of its approved BASEL III Compliant MTN programme. The Sukuk Murabahah was issued for a tenure of 10 years from the issue date on a 10-year non-callable 5-year basis, at a profit rate of 4.66%. The Sukuk Murabahah was issued for the purpose of general banking business and working capital requirements of AIBB.

(e) Senior Sukuk/MTN

AIBB had, on 16 December 2022, issued two Senior Sukuk of RM230.0 million for a tenure of 3 years from the issue date, at a profit rate of 4.55% and RM520.0 million for a tenure of 5 years from the issue date, at a profit rate of 4.75%. The Senior Sukuk was issued for the purpose of general banking business and working capital requirements of AIBB.

On 12 December 2023, AIBB had issued another tranche of Senior Sukuk Murabahah of RM600.0 million out of its Sukuk Programme. The Sukuk is issued for a tenure of 3 years from the issue date, at a profit rate of 4.15%. The Senior Sukuk Murabahah was issued for the purpose of general banking business and working capital requirements of AIBB.

On 8 May 2024, ABB had issued another tranche of Senior MTN of RM500.0 million out of its MTN Programme. The MTN is issued for a tenure of 5 years from the issue date, at a coupon rate of 4.10%. The Senior MTN was issued for the purpose of general banking business and working capital requirements of ABB.

On 4 June 2025, ABB had issued Senior Unsecured Euro Medium Term Note ('EMTN') of USD300.0 million out of its EMTN Programme. The EMTN is issued for a tenure of 5 years from the issue date, at a coupon rate of 5.11%. The EMTN was issued for the purpose of general banking business, working capital requirements and other corporate purposes of ABB.

(f) Commercial Paper ('CP')

ABB, AIBB and AHIBB had on 27 September 2024, each issued CP or Islamic CP ('ICP') of RM5.0 million for a tenure of 6 months from the issue date, at a discount/profit rate of 3.70%. The CPs and ICP were issued for the purpose of general banking business and working capital requirements of their respective institutions. ABB had subscribed to the ICP and CP issued by AIBB and AHIBB respectively, while AHIBB had subscribed to the CP issued by ABB. All the CPs and ICP were fully redeemed on 27 March 2025.

ABB and AIBB had on 27 March 2025, issued CP of RM25.0 million and ICP of RM65.0 million respectively, both for a tenure of 6 months from the issue date, at a discount/profit rate of 3.81%. The CP and ICP were issued for the purpose of general banking business and working capital requirements of ABB and AIBB. All the CPs and ICP were fully redeemed on 25 September 2025.

On 29 May 2025, ABB had issued CP of RM300.0 million for a tenure of 6 months from the issue date, at a discount rate of 3.57%. The CP was issued for the purpose of general banking business and working capital requirements of ABB.

Part B - Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B7. DEPOSITS, LEASE LIABILITIES AND BORROWINGS (Cont.)

(iv) Borrowings and Sukuk (Cont.)

(f) Commercial Paper ('CP')

ABB and AIBB had on 25 September 2025, issued CP of RM45.0 million and ICP of RM115.0 million respectively, both for a tenure of 6 months from the issue date, at a discount/profit rate of 3.38%. The CP and ICP were issued for the purpose of general banking business and working capital requirements of ABB and AIBB.

B8. MATERIAL LITIGATION

There is no material litigation during the financial period ended 30 September 2025.

B9. DIVIDENDS

No dividend has been proposed for the quarter under review.

B10. EARNINGS PER SHARE

(a) Basic

The basic earnings per ordinary share for the Group and the Bank have been calculated by dividing the net profit attributable to the equity holders of the Group and the Bank by the weighted average number of ordinary shares in issue during the financial period.

The Group	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
Net profit attributable to the equity holders of the Bank (RM'000)	144,986	145,817	412,560	374,607
Weighted average number of ordinary shares in issue ('000)	2,533,835	2,400,487	2,533,835	2,368,364
Adjustment for bonus issue ('000) ¹	-	133,360	-	131,576
Adjusted weighted average number of ordinary shares in issue ('000)	2,533,835	2,533,847	2,533,835	2,499,939
Basic earnings per share (sen)				
- Before issuance of bonus shares	5.72	6.07	16.28	15.82
- After issuance of bonus shares ¹	5.72	5.75	16.28	14.98
The Bank	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
Net profit attributable to the equity holders of the Bank (RM'000)	61,442	111,147	213,186	177,370
Weighted average number of ordinary shares in issue ('000)	2,533,835	2,400,487	2,533,835	2,368,364
Adjustment for bonus issue ('000) ¹	-	133,360	-	131,576
Weighted average number of ordinary shares in issue ('000)	2,533,835	2,533,847	2,533,835	2,499,939
Basic earnings per share (sen)				
- Before issuance of bonus shares	2.42	4.63	8.41	7.49
- After issuance of bonus shares ¹	2.42	4.39	8.41	7.09

Part B - Explanatory Notes pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B10. EARNINGS PER SHARE (Cont.)

(b) Diluted

During the financial period ended 30 September 2025, diluted EPS is calculated by dividing the net profit attributable to equity holders of the Bank, which require no adjustment for the effects of dilutive potential ordinary shares, by the weighted average number of ordinary shares in issue during the financial period and the weighted average number of ordinary shares that would be issued on conversion of dilutive potential ordinary shares.

The Group	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
Net profit attributable to equity holders of the Bank (RM'000)	144,986	145,817	412,560	374,607
Weighted average number of ordinary shares in issue ('000)				
- during the period	2,533,835	2,400,487	2,533,835	2,368,364
- effect of dilutive of potential ordinary shares ²	24,289	27,438	24,289	27,438
Adjustment for bonus issue ('000) ¹	-	133,360	-	131,576
Weighted average number of potential ordinary shares ('000)	2,558,124	2,561,285	2,558,124	2,527,377
Diluted earnings per share (sen)				
- Before issuance of bonus shares	5.67	6.01	16.13	15.64
- After issuance of bonus shares ¹	5.67	5.69	16.13	14.82
The Bank	Individual Quarter Ended		Cumulative Quarter Ended	
	30/9/2025	30/9/2024	30/9/2025	30/9/2024
Net profit attributable to equity holders of the Bank (RM'000)	61,442	111,147	213,186	177,370
Weighted average number of ordinary shares in issue ('000)				
- during the period	2,533,835	2,400,487	2,533,835	2,368,364
- effect of dilutive of potential ordinary shares ²	24,289	20,674	24,289	20,674
Adjustment for bonus issue ('000) ¹	-	133,360	-	131,576
Weighted average number of potential ordinary shares	2,558,124	2,554,521	2,558,124	2,520,613
Diluted earnings per share (sen)				
- Before issuance of bonus shares	2.40	4.59	8.33	7.42
- After issuance of bonus shares ¹	2.40	4.35	8.33	7.04

¹ For comparative purpose, the basic and diluted earnings per share for the individual and cumulative quarter ended 30 September 2024 had been adjusted to reflect the bonus issue of 1 bonus share for every 18 existing ordinary shares which was completed on 5 May 2025.

² The dilutive potential ordinary shares is arising from Shares Grant Scheme ('SGS'). The SGS is a restricted share unit scheme where vesting is subject to performance conditions. The number of shares calculated as above is compared with the number of shares that would have been issued assuming performance conditions are achieved.