Affin Bank Berhad

Registration No. 197501003274 (25046-T)
Condensed Interim Financial Statements
Unaudited Statements of Financial Position as at 31 December 2025

		The Group		The Bank	
	Note	**31/12/2025 RM'000**	31/12/2024 RM'000	**31/12/2025 RM'000**	31/12/2024 RM'000
ASSETS					
Cash and short-term funds		**6,155,814**	2,852,881	**3,432,100**	1,960,558
Deposits and placements with banks and other financial institutions		**250,245**	302,241	**450,460**	604,294
Reverse repurchase agreements with financial institutions		**65,812**	-	**65,812**	8,033
Investment accounts due from designated financial institutions		**-**	-	**2,549,141**	3,248,280
Financial assets at fair value through profit or loss ('FVTPL')	A10	**2,330,282**	1,562,337	**3,010,216**	1,852,836
Derivative financial instruments	A30	**304,202**	450,370	**289,927**	412,598
Financial investments at fair value through other comprehensive income ('FVOCI')	A11	**15,310,337**	13,901,457	**8,628,822**	6,046,007
Financial investments at amortised cost ('AC')	A12	**15,170,196**	15,689,413	**9,910,363**	10,038,120
Loans, advances and financing	A13	**78,545,738**	70,892,085	**37,923,608**	35,640,014
Amount due from clients and brokers	A14	**803,128**	513,907	**-**	-
Other assets	A15	**730,733**	663,742	**433,930**	384,312
Amount due from subsidiaries		**-**	-	**361,963**	756,357
Amount due from joint ventures		**-**	4,639	**-**	-
Tax recoverable		**248,050**	217,929	**215,317**	188,728
Deferred tax assets		**54,147**	114,938	**-**	43,840
Statutory deposits with Bank Negara Malaysia		**804,510**	1,524,530	**449,000**	867,000
Investment in subsidiaries		**-**	-	**3,306,142**	3,304,950
Investment in associates		**853,315**	830,917	**676,279**	676,279
Property and equipment		**1,492,853**	1,361,772	**1,429,995**	1,298,483
Investment property		**122,388**	124,988	**168,284**	171,859
Right-of-use assets		**66,626**	71,865	**60,726**	60,733
Intangible assets		**765,365**	762,096	**318,065**	314,681
TOTAL ASSETS		**124,073,741**	111,842,107	**73,680,150**	67,877,962
LIABILITIES AND EQUITY					
Deposits from customers	B7	**78,999,985**	73,743,519	**42,559,047**	41,104,818
Investment accounts of customers		**1,164,406**	757,600	**-**	-
Deposits and placements of banks and other financial institutions	B7	**8,568,864**	8,618,411	**4,862,252**	5,183,589
Obligation on securities sold under repurchase agreements		**5,569,845**	5,567,418	**5,569,822**	5,188,779
Derivative financial instruments	A30	**628,290**	365,936	**593,680**	316,611
Bills and acceptances payable		**57,265**	32,341	**57,265**	32,341
Recourse obligation on loans/financing sold to Cagamas Berhad		**7,705,084**	5,127,995	**4,779,222**	3,002,564
Amount due to clients and brokers		**657,156**	370,282	**-**	-
Lease liabilities	B7	**64,491**	65,404	**60,521**	57,251
Other liabilities	A16	**2,312,794**	1,827,022	**980,157**	1,135,745
Amount due to subsidiaries		**-**	-	**157,546**	175,656
Provision for taxation		**12**	7	**-**	-
Borrowings and Sukuk	B7	**6,126,638**	3,764,880	**3,624,004**	1,506,229
Deferred tax liabilities		**-**	-	**4,919**	-
TOTAL LIABILITIES		**111,854,830**	100,240,815	**63,248,435**	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 31 December 2025

		The Group		The Bank	
	Note	**31/12/2025 RM'000**	31/12/2024 RM'000	**31/12/2025 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	**228,942**	170,624	**228,752**	207,027
Regulatory reserves	A17	**594,418**	473,143	**326,563**	335,563
Other reserves	A17	**22,601**	3,493	**36,770**	17,241
Retained profits	A17	**5,884,406**	5,465,488	**4,351,086**	4,126,004
TOTAL EQUITY		**12,218,911**	11,601,292	**10,431,715**	10,174,379
TOTAL LIABILITIES AND EQUITY		**124,073,741**	111,842,107	**73,680,150**	67,877,962
COMMITMENTS AND CONTINGENCIES	A29	**91,762,886**	85,186,497	**72,697,482**	66,865,818
CAPITAL ADEQUACY RATIOS	A31				
CET 1 capital ratio		**13.406%**	13.217%	**12.933%**	12.145%
Tier 1 capital ratio		**14.770%**	14.635%	**14.071%**	13.272%
Total capital ratio		**17.284%**	17.063%	**16.357%**	15.258%
Net assets per share attributable to equity holders of the Bank (RM) *		**4.82**	4.58	**4.12**	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 Fourth Quarter and Financial Year Ended 31 December 2025

		Individual Quarter Ended		Cumulative Quarter Ended	
		31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**Note**	**RM'000**	RM'000	**RM'000**	RM'000
Interest income	A18	**767,565**	747,305	**2,945,652**	3,001,707
Interest expense	A19	**(519,222)**	(521,565)	**(2,070,882)**	(2,175,302)
Net interest income		**248,343**	225,740	**874,770**	826,405
Income from Islamic banking business		**232,633**	193,067	**866,814**	691,149
		480,976	418,807	**1,741,584**	1,517,554
Fee and commission income		**102,241**	114,015	**328,709**	345,162
Fee and commission expense		**(11,372)**	(35,369)	**(45,613)**	(47,254)
Net fee and commission income	A20	**90,869**	78,646	**283,096**	297,908
Net gains on financial instruments	A21	**83,091**	84,868	**290,955**	212,091
Other income	A22	**38,365**	(24,650)	**125,872**	142,194
Net income		**693,301**	557,671	**2,441,507**	2,169,747
Other operating expenses	A23	**(462,734)**	(465,479)	**(1,701,992)**	(1,668,108)
Operating profit before allowances		**230,567**	92,192	**739,515**	501,639
(Allowance for)/write-back of credit impairment losses	A24	**(15,662)**	81,578	**(24,167)**	170,181
(Allowance for)/write-back of impairment losses on other assets	A25	**(776)**	253	**(7,033)**	(18,813)
Operating profit		**214,129**	174,023	**708,315**	653,007
Share of results of associates		**4,000**	34,338	**52,380**	54,729
Profit before zakat and taxation		**218,129**	208,361	**760,695**	707,736
Zakat		**(2,475)**	(2,014)	**(4,950)**	(6,707)
Profit before taxation		**215,654**	206,347	**755,745**	701,029
Taxation	B5	**(88,021)**	(71,251)	**(215,552)**	(191,326)
Net profit after zakat and taxation		**127,633**	135,096	**540,193**	509,703
Attributable to:					
Equity holders of the Bank		**127,633**	135,096	**540,193**	509,703
Earnings per share attributable to equity holders of the Bank (sen): *					
- Basic	B10	**5.04**	5.33	**21.32**	20.31
- Diluted	B10	**4.97**	5.28	**21.03**	20.10

* For comparative purpose, the earnings per share for the individual and cumulative quarter ended 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 Statements of Comprehensive Income
for the Fourth Quarter and Financial Year Ended 31 December 2025

	Individual Quarter Ended		Cumulative Quarter Ended	
The Group	**31/12/2025 RM'000**	31/12/2024 RM'000	**31/12/2025 RM'000**	31/12/2024 RM'000
Net profit after zakat and taxation	**127,633**	135,096	**540,193**	509,703
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
- Net fair value change in financial investments at FVOCI (debt instruments)	**(68,405)**	(105,273)	**249,506**	9,678
- Net credit impairment (loss)/gain change in financial investments at FVOCI (debt instruments)	**(472)**	715	**1,361**	(20,415)
- Net gain on financial investments measured at FVOCI reclassified to profit or loss on disposal (debt instruments)	**(60,252)**	(4,241)	**(217,623)**	(21,084)
- Deferred tax on financial investments at FVOCI	**32,275**	30,890	**(8,786)**	3,359
- Share of other comprehensive (loss)/income of associates	**(1,476)**	(14,723)	**2,718**	(5,813)
Items that may not be reclassified subsequently to profit or loss:				
- Net fair value change in financial investments designated at FVOCI (equity instruments)	**29,455**	20,183	**30,721**	21,611
Other comprehensive (loss)/income for the financial year, net of tax	**(68,875)**	(72,449)	**57,897**	(12,664)
Total comprehensive income for the financial year	**58,758**	62,647	**598,090**	497,039
Total comprehensive income for the financial year attributable to:				
Equity holders of the Bank	**58,758**	62,647	**598,090**	497,039

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 Fourth Quarter and Financial Year Ended 31 December 2025

		Individual Quarter Ended		Cumulative Quarter Ended	
The Bank	**Note**	**31/12/2025 RM'000**	31/12/2024 RM'000	**31/12/2025 RM'000**	31/12/2024 RM'000
Interest income	A18	**691,333**	672,701	**2,648,793**	2,699,242
Interest expense	A19	**(468,626)**	(470,341)	**(1,864,983)**	(1,971,666)
Net interest income		**222,707**	202,360	**783,810**	727,576
Fee and commission income		**46,805**	39,441	**157,800**	165,748
Fee and commission expense		**(6,227)**	(5,331)	**(22,620)**	(17,216)
Net fee and commission income	A20	**40,578**	34,110	**135,180**	148,532
Net gains on financial instruments	A21	**79,618**	56,874	**214,083**	135,414
Other income	A22	**56,768**	58,136	**304,643**	311,455
Net income		**399,671**	351,480	**1,437,716**	1,322,977
Other operating expenses	A23	**(310,292)**	(303,039)	**(1,097,383)**	(1,108,392)
Operating profit before allowances		**89,379**	48,441	**340,333**	214,585
(Allowance for)/write-back of credit impairment losses	A24	**(45,761)**	57,525	**(50,718)**	114,151
Allowance for impairment losses on other assets	A25	**-**	-	**-**	(9,290)
Profit before taxation		**43,618**	105,966	**289,615**	319,446
Taxation	B5	**(40,722)**	(30,410)	**(73,533)**	(66,520)
Net profit after taxation		**2,896**	75,556	**216,082**	252,926
Earnings per share attributable to equity holders of the Bank (sen): *					
- Basic	B10	**0.11**	2.98	**8.53**	10.08
- Diluted	B10	**0.11**	2.96	**8.44**	10.00

* For comparative purpose, the earnings per share for the individual and cumulative quarter ended 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 Statements of Comprehensive Income
for the Fourth Quarter and Financial Year Ended 31 December 2025

	Individual Quarter Ended		Cumulative Quarter Ended	
The Bank	**31/12/2025 RM'000**	31/12/2024 RM'000	**31/12/2025 RM'000**	31/12/2024 RM'000
Net profit after taxation	**2,896**	75,556	**216,082**	252,926
Other comprehensive (loss)/income:				
Items that may be reclassified subsequently to profit or loss:				
- Net fair value change in financial investments at FVOCI (debt instruments)	**(45,714)**	(50,096)	**109,129**	(9,756)
- Net credit impairment (loss)/gain change in financial investments at FVOCI (debt instruments)	**(178)**	101	**642**	613
- Net gain on financial investments measured at FVOCI reclassified to profit or loss on disposal (debt instruments)	**(41,169)**	(3,181)	**(119,739)**	(14,725)
- Deferred tax on financial investments at FVOCI	**22,013**	15,852	**2,238**	6,140
Items that may not be reclassified subsequently to profit or loss:				
- Net fair value change in financial investments designated at FVOCI (equity instruments)	**29,455**	20,182	**29,455**	20,182
Other comprehensive (loss)/income for the financial year, net of tax	**(35,593)**	(17,142)	**21,725**	2,454
Total comprehensive income for the financial year	**(32,697)**	58,414	**237,807**	255,380

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 Changes in Equity
for the Financial Year Ended 31 December 2025

The Group	**Attributable to Equity Holders of 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**	**170,624**	**473,143**	**3,493**	**5,465,488**	**11,601,292**
Net profit for the financial year	**-**	**-**	**-**	**-**	**540,193**	**540,193**
Other comprehensive income/(loss) (net of tax):						
- Financial investments at FVOCI	**-**	**55,179**	**-**	**-**	**-**	**55,179**
- Share of other comprehensive income/(loss) of associates	**-**	**3,139**	**-**	**(421)**	**-**	**2,718**
Total comprehensive income/(loss) for the financial year	**-**	**58,318**	**-**	**(421)**	**540,193**	**598,090**
Share grant scheme granted	**-**	**-**	**-**	**19,529**	**-**	**19,529**
Transfer to regulatory reserves	**-**	**-**	**121,275**	**-**	**(121,275)**	**-**
At 31 December 2025	**5,488,544**	**228,942**	**594,418**	**22,601**	**5,884,406**	**12,218,911**

	Attributable to Equity Holders of 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 2024	5,371,044	169,540	337,761	4,146	5,226,324	11,108,815
Net profit for the financial year	-	-	-	-	509,703	509,703
Other comprehensive income/(loss) (net of tax):						
- Financial investments at FVOCI	-	(6,851)	-	-	-	(6,851)
- Share of other comprehensive income/(loss) of associates	-	7,935	-	(13,748)	-	(5,813)
Total comprehensive income/(loss) for the financial year	-	1,084	-	(13,748)	509,703	497,039
Issuance of new shares	117,500	-	-	-	-	117,500
Share grant scheme granted	-	-	-	13,095	-	13,095
Transfer to regulatory reserves	-	-	135,382	-	(135,382)	-
Dividends	-	-	-	-	(135,157)	(135,157)
At 31 December 2024	5,488,544	170,624	473,143	3,493	5,465,488	11,601,292

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 Changes in Equity
for the Financial Year Ended 31 December 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 year	**-**	**-**	**-**	**-**	**216,082**	**216,082**
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	**-**	**21,725**	**-**	**-**	**-**	**21,725**
Total comprehensive income for the financial year	**-**	**21,725**	**-**	**-**	**216,082**	**237,807**
Share grant scheme granted	**-**	**-**	**-**	**19,529**	**-**	**19,529**
Transfer from regulatory reserves	**-**	**-**	**(9,000)**	**-**	**9,000**	**-**
At 31 December 2025	**5,488,544**	**228,752**	**326,563**	**36,770**	**4,351,086**	**10,431,715**

		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 year	-	-	-	-	252,926	252,926
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	-	2,454	-	-	-	2,454
Total comprehensive income for the financial year	-	2,454	-	-	252,926	255,380
Issuance of new shares	117,500	-	-	-	-	117,500
Share grant scheme granted	-	-	-	13,095	-	13,095
Transfer to regulatory reserves	-	-	65,000	-	(65,000)	-
Dividends	-	-	-	-	(135,157)	(135,157)
At 31 December 2024	5,488,544	207,027	335,563	17,241	4,126,004	10,174,379

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 Year Ended 31 December 2025

	The Group		The Bank	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
	RM'000	RM'000	**RM'000**	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation	**755,745**	701,029	**289,615**	319,446
Adjustments for items not involving the movement of cash and cash equivalents	**(256,369)**	(484,562)	**(51,504)**	(666,601)
Operating profit before changes in working capital	**499,376**	216,467	**238,111**	(347,155)
Net changes in operating assets	**(7,757,494)**	(4,632,453)	**(1,399,505)**	(1,526,628)
Net changes in operating liabilities	**6,409,409**	4,520,519	**1,381,665**	355,768
Tax and zakat paid	**(230,680)**	(194,306)	**(80,286)**	(43,958)
Tax and zakat refunded	**31,798**	1,125	**31,161**	1,125
Net cash (used in)/generated from operating activities	**(1,047,591)**	(88,648)	**171,146**	(1,560,848)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received:				
- financial investments at FVOCI	**563,614**	396,718	**285,724**	225,724
- financial investments at AC	**482,000**	459,081	**377,569**	447,607
Dividend income received:				
- financial assets at FVTPL	**3,479**	4,388	**2,191**	2,038
- financial investments at FVOCI	**882**	1,340	**732**	1,190
- subsidiaries	**-**	-	**83,959**	76,369
- associates	**32,700**	64,800	**32,700**	64,800
Purchases of:				
- financial investments at FVOCI	**(14,626,788)**	(11,411,418)	**(9,419,029)**	(8,501,028)
- financial investments at AC	**(599,500)**	(1,736,029)	**(500,000)**	(1,542,808)
Redemptions/disposals of:				
- financial investments at FVOCI	**13,083,564**	7,392,518	**6,813,412**	6,368,527
- financial investments at AC	**1,067,608**	2,653,263	**549,452**	2,708,348
Purchases of:				
- property and equipment	**(230,454)**	(289,726)	**(226,817)**	(284,950)
- intangible assets	**(1,105)**	(7,290)	**(831)**	(5,520)
Proceeds from disposal of:				
- property and equipment	**2,464**	4,003	**2,370**	3,765
- foreclosed properties	**-**	10,592	**-**	-
- right-of-use assets	**1,966**	-	**1,966**	-
Investment in a subsidiary	**-**	-	**-**	(100,040)
Investment in associates	**-**	(9,000)	**-**	(9,000)
Net cash used in investing activities	**(219,570)**	(2,466,760)	**(1,996,602)**	(544,978)
CASH FLOWS FROM FINANCING ACTIVITIES				
Drawdown of borrowings	**2,969,865**	500,000	**2,458,760**	504,956
Repayment of borrowings	**(592,644)**	-	**(324,063)**	-
Interest/profit payment on borrowings	**(218,264)**	(207,440)	**(112,125)**	(63,794)
Payment of dividend to the equity holders of the Bank	**-**	(17,657)	**-**	(17,657)
Addition of recourse obligation on loans/financing sold to Cagamas Berhad	**4,867,491**	1,144,992	**2,767,488**	144,992
Redemption of recourse obligation on loans/financing sold to Cagamas Berhad	**(2,300,257)**	-	**(1,000,255)**	-
Interest/profit payment from recourse obligation on loans/financing sold to Cagamas Berhad	**(229,706)**	(148,866)	**(129,014)**	(103,943)
Lease payments	**(37,677)**	(33,087)	**(33,248)**	(28,847)
Net cash generated from financing activities	**4,458,808**	1,237,942	**3,627,543**	435,707
Net increase/(decrease) in cash and cash equivalents	**3,191,647**	(1,317,466)	**1,802,087**	(1,670,119)
Effects of foreign exchange	**(33,632)**	(13,468)	**(22,519)**	(15,849)
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	**6,262,811**	3,104,796	**3,639,285**	1,859,717

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 Year Ended 31 December 2025

	The Group		The Bank	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
	RM'000	RM'000	**RM'000**	RM'000
Cash and cash equivalents comprise the following:				
Cash and short-term funds	**6,155,814**	2,852,881	**3,432,100**	1,960,558
Deposits and placements of banks and other financial institutions	**250,245**	302,241	**450,460**	604,294
	6,406,059	3,155,122	**3,882,560**	2,564,852
Less: Cash and short-term funds and deposits and placements with banks and other financial institutions with original maturity of more than three months	**(143,248)**	(50,326)	**(243,275)**	(705,135)
	6,262,811	3,104,796	**3,639,285**	1,859,717

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 year 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'

The amendments 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. The entity is also required to make additional disclosures when exchangeability is lacking.

The adoption of amendments above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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 year 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 year 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 year other than the following:

(a) Share capital

The share capital of the Bank as at 31 December 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 31 December 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	5 December 2025	Not Applicable	4 December 2026	RM300.0 million	Commercial Paper	364 days
Issuance	28 November 2025	Not Applicable	28 May 2026	RM160.0 million	Commercial Paper	181 days
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
Redemption	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	28 November 2025	Not Applicable	28 May 2026	RM340.0 million	Islamic Commercial Paper	181 days
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	16 December 2022	Not Applicable	16 December 2025	RM230.0 million	Senior Sukuk	5 years

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

On 29 January 2026, the Board of Directors proposed a single-tier final dividend of 8.53 sen per share amounting to RM216,136,158 in respect of the financial year ended 31 December 2025, based on the Bank's issued share capital of 2,533,835,382 ordinary shares at 31 December 2025.

A9. STATUS OF CORPORATE PROPOSAL

Other than as disclosed in Note A27, there were no corporate proposal reported during the financial year 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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
At fair value	**RM'000**	RM'000	**RM'000**	RM'000
Money market instruments:				
Malaysian Government treasury bills	**341,307**	450,055	**321,035**	450,055
Malaysian Government investment certificates	**792,049**	392,859	**308,316**	-
Bank Negara Malaysia Bills	**-**	88,589	**-**	88,589
Negotiable Instruments of Deposit and Islamic Debt Certificates	**652,980**	244,576	**2,193,875**	1,149,708
	1,786,336	1,176,079	**2,823,226**	1,688,352
Quoted securities:				
Shares, warrants and REITs in Malaysia	**80,319**	146,375	**-**	-
Unit Trusts in Malaysia	**1,347**	1,299	**-**	-
	81,666	147,674	**-**	-
Unquoted securities:				
Shares in Malaysia	**143,094**	136,991	**143,094**	136,991
Commercial Papers	**44,758**	-	**14,919**	-
Corporate Bonds/Sukuk in Malaysia *	**44,418**	70,534	**20,109**	25,234
Corporate Bonds/Sukuk outside Malaysia	**230,010**	31,059	**8,868**	2,259
	462,280	238,584	**186,990**	164,484
	2,330,282	1,562,337	**3,010,216**	1,852,836

* Included unquoted perpetual bonds designated at FVTPL amounting to RM15,056,000 (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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
At fair value	**RM'000**	RM'000	**RM'000**	RM'000
Money market instruments:				
Malaysian Government treasury bills	**-**	99,538	**-**	99,538
Malaysian Government securities	**3,309,409**	2,604,068	**1,930,761**	1,263,194
Malaysian Government investment issues	**1,802,318**	2,793,101	**353,089**	537,273
Cagamas Bonds/Sukuk	**369,964**	429,355	**236,289**	237,632
	5,481,691	5,926,062	**2,520,139**	2,137,637
Unquoted securities:				
Shares in Malaysia *	**297,972**	267,251	**270,512**	241,057
Commercial Papers	**-**	29,839	**-**	9,918
Corporate Bonds/Sukuk in Malaysia	**3,870,081**	4,509,024	**2,199,698**	1,813,467
Corporate Bonds/Sukuk outside Malaysia	**5,660,593**	3,169,281	**3,638,473**	1,843,928
	9,828,646	7,975,395	**6,108,683**	3,908,370
	15,310,337	13,901,457	**8,628,822**	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:

The Group 31/12/2025	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 year	**1,255**	**19**	**-**	**1,274**
Total transfer between stages due to change in credit risk:	**(53)**	**53**	**-**	**-**
- Transfer to Lifetime ECL not credit impaired (Stage 2)	**(53)**	**53**	**-**	**-**
Financial assets derecognised (other than write-off)	**(1,332)**	**(109)**	**-**	**(1,441)**
New financial assets purchased	**3,579**	**-**	**-**	**3,579**
Changes due to change in credit risk	**(969)**	**361**	**-**	**(608)**
Other adjustments	**(169)**	**-**	**-**	**(169)**
At end of the financial year	**2,311**	**324**	**-**	**2,635**
31/12/2024				
At beginning of the financial year	533	21,156	-	21,689
Net remeasurement of loss allowance				
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

The Bank 31/12/2025	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 year	**774**	**246**	**-**	**1,020**
Financial assets derecognised (other than write-off)	**(895)**	**(109)**	**-**	**(1,004)**
New financial assets purchased	**2,446**	**-**	**-**	**2,446**
Changes due to change in credit risk	**(746)**	**41**	**-**	**(705)**
Other adjustments	**(95)**	**-**	**-**	**(95)**
At end of the financial year	**1,484**	**178**	**-**	**1,662**
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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
At amortised cost	**RM'000**	RM'000	**RM'000**	RM'000
Money market instruments:				
Malaysian Government Securities	**3,794,793**	3,847,842	**3,604,204**	3,657,415
Malaysian Government Investment Issues	**5,362,383**	5,450,848	**2,857,748**	2,930,495
Cagamas Bonds/Sukuk	**5,119**	35,409	**5,119**	25,335
	9,162,295	9,334,099	**6,467,071**	6,613,245
Unquoted securities:				
Shares in Malaysia	**14,915**	14,915	**14,915**	14,915
Corporate Bonds/Sukuk in Malaysia	**5,561,008**	5,850,134	**3,028,419**	2,949,064
Corporate Bonds/Sukuk outside Malaysia	**439,955**	514,416	**407,223**	480,827
	6,015,878	6,379,465	**3,450,557**	3,444,806
	15,178,173	15,713,564	**9,917,628**	10,058,051
Fair value changes arising from fair value hedges	**(6,267)**	(5,672)	**(6,398)**	(5,359)
	15,171,906	15,707,892	**9,911,230**	10,052,692
Less: ECL	**(1,710)**	(18,479)	**(867)**	(14,572)
	15,170,196	15,689,413	**9,910,363**	10,038,120

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

The Group **31/12/2025**	**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 year	**4,145**	**14,334**	**-**	**18,479**
Financial assets derecognised (other than write-off)	**(3,319)**	**(1,231)**	**-**	**(4,550)**
New financial assets purchased	**680**	**-**	**-**	**680**
Changes due to change in credit risk	**217**	**(13,093)**	**-**	**(12,876)**
Other adjustments	**(23)**	**-**	**-**	**(23)**
At end of the financial year	**1,700**	**10**	**-**	**1,710**
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 **31/12/2025**				
At beginning of the financial year	**239**	**14,333**	**-**	**14,572**
Financial assets derecognised (other than write-off)	**(3)**	**(1,230)**	**-**	**(1,233)**
New financial assets purchased	**609**	**-**	**-**	**609**
Changes due to change in credit risk	**40**	**(13,098)**	**-**	**(13,058)**
Other adjustments	**(23)**	**-**	**-**	**(23)**
At end of the financial year	**862**	**5**	**-**	**867**
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

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

	The Group		The Bank	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
(a) BY TYPES	**RM'000**	RM'000	**RM'000**	RM'000
Overdrafts	**3,041,716**	2,227,336	**1,947,827**	1,371,016
Term loans/financing:				
- Housing loans/financing	**23,453,685**	21,871,406	**12,983,579**	11,528,863
- Hire purchase receivables	**16,570,539**	15,877,544	**7,187,380**	7,995,058
- Syndicated financing	**4,028,147**	2,912,929	**1,978,753**	1,722,406
- Business term loans/financing	**21,657,565**	18,992,992	**9,258,435**	8,587,247
- Other term loans/financing	**52,029**	95,026	**-**	-
Bills receivables	**874,136**	773,858	**447,950**	637,725
Trust receipts	**171,873**	219,437	**146,023**	197,083
Claims on customers under acceptances credits	**3,683,278**	3,253,242	**2,115,224**	2,014,187
Staff loans/financing	**237,212**	232,278	**86,739**	87,845
Credit cards	**629,296**	515,922	**494,673**	421,941
Revolving credits	**2,922,506**	3,108,766	**1,946,583**	1,808,511
Margin financing	**2,189,086**	1,963,919	**-**	-
Gross loans, advances and financing	**79,511,068**	72,044,655	**38,593,166**	36,371,882
Less: ECL	**(965,330)**	(1,152,570)	**(669,558)**	(731,868)
Total net loans, advances and financing	**78,545,738**	70,892,085	**37,923,608**	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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
	RM'000	RM'000	**RM'000**	RM'000
(b) BY MATURITY STRUCTURE				
Maturing within one year	**14,692,234**	13,028,163	**7,744,110**	6,809,409
One year to three years	**3,925,079**	3,468,962	**2,208,091**	2,313,628
Three years to five years	**7,386,261**	6,507,527	**4,445,206**	4,122,230
Over five years	**53,507,494**	49,040,003	**24,195,759**	23,126,615
	79,511,068	72,044,655	**38,593,166**	36,371,882
(c) BY TYPES OF CUSTOMER				
Domestic banking institutions	**6,510**	2,173	**6,510**	2,173
Domestic non-banking institutions	**863,774**	628,511	**339,548**	202,212
Domestic business enterprises:				
- Small medium enterprises	**11,180,967**	11,229,492	**7,740,297**	8,075,997
- Others	**14,532,956**	12,747,758	**7,635,797**	6,940,400
Government and statutory bodies	**645,331**	794,959	**122,861**	1,585
Individuals	**49,931,585**	44,807,791	**20,931,806**	19,456,806
Other domestic entities	**368**	7,072	**349**	661
Foreign entities	**2,349,577**	1,826,899	**1,815,998**	1,692,048
	79,511,068	72,044,655	**38,593,166**	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	
		31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
(d)	**BY INTEREST / PROFIT RATE SENSITIVITY**	**RM'000**	RM'000	**RM'000**	RM'000
	Fixed rate:				
	- Housing loans/financing	**203,439**	201,013	**131,738**	134,700
	- Hire purchase receivables	**15,576,824**	15,224,681	**7,187,380**	7,995,052
	- Other fixed rate loans/financing	**1,085,975**	1,455,208	**587,127**	566,573
	Variable rate:				
	- Base lending rate and base rate plus	**28,511,968**	28,954,603	**15,069,733**	15,259,536
	- Cost plus	**11,709,810**	10,069,169	**5,467,385**	4,581,816
	- Others variable rates	**22,423,052**	16,139,981	**10,149,803**	7,834,205
		79,511,068	72,044,655	**38,593,166**	36,371,882
(e)	**BY ECONOMIC SECTORS**				
	Primary agriculture	**1,514,988**	1,411,019	**604,869**	664,463
	Mining and quarrying	**212,884**	106,498	**145,603**	48,787
	Manufacturing	**4,310,332**	4,407,474	**2,653,797**	2,924,282
	Electricity, gas and water supply	**1,314,083**	477,639	**348,317**	63,697
	Construction	**2,617,097**	2,455,996	**1,299,436**	1,262,568
	Real estate	**4,493,127**	4,568,302	**3,084,574**	3,321,139
	Wholesale, retail trade, hotels and restaurants	**6,233,849**	6,175,182	**4,428,898**	4,554,894
	Transport, storage and communication	**3,010,552**	3,252,058	**1,864,993**	2,100,736
	Finance, insurance and business services	**3,214,156**	2,240,367	**1,882,172**	1,289,002
	Education, health and others	**2,395,803**	1,922,851	**1,152,191**	527,308
	Household	**50,193,135**	45,025,501	**21,127,668**	19,613,720
	Others	**1,062**	1,768	**648**	1,286
		79,511,068	72,044,655	**38,593,166**	36,371,882
(f)	**BY ECONOMIC PURPOSE**				
	Purchase of securities	**5,758,351**	4,125,098	**545,065**	306,041
	Purchase of transport vehicles	**17,151,883**	16,569,587	**7,446,048**	8,379,180
	Purchase of landed properties of which:				
	- Residential	**23,868,435**	22,178,419	**13,251,758**	11,680,416
	- Non-residential	**7,203,119**	6,728,751	**5,107,387**	4,659,922
	Fixed assets other than land and building	**453,224**	461,013	**190,236**	203,948
	Personal use	**6,233,065**	4,763,966	**965,684**	632,086
	Credit card	**629,296**	515,922	**494,673**	421,941
	Consumer durable	**480**	320	**146**	14
	Construction	**2,293,509**	2,155,973	**1,405,048**	1,318,622
	Merger and acquisition	**105,413**	87,026	**-**	-
	Working capital	**13,150,317**	11,545,408	**7,275,343**	6,735,630
	Others	**2,663,976**	2,913,172	**1,911,778**	2,034,082
		79,511,068	72,044,655	**38,593,166**	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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
(g) BY GEOGRAPHICAL DISTRIBUTION	**RM'000**	RM'000	**RM'000**	RM'000
Perlis	**174,805**	153,572	**16,263**	17,220
Kedah	**2,719,053**	2,359,430	**679,373**	677,138
Pulau Pinang	**4,158,807**	4,248,905	**2,208,829**	2,337,033
Perak	**2,369,392**	2,087,763	**751,059**	800,432
Selangor	**24,515,863**	22,038,580	**11,546,434**	10,960,501
Wilayah Persekutuan	**15,351,149**	14,892,730	**7,840,677**	7,245,392
Negeri Sembilan	**2,795,473**	2,592,694	**947,404**	909,488
Melaka	**1,332,086**	1,230,047	**584,312**	596,564
Johor	**12,017,265**	10,563,453	**7,333,189**	6,474,257
Pahang	**2,291,611**	2,199,430	**875,480**	925,301
Terengganu	**1,313,611**	1,211,472	**155,726**	175,494
Kelantan	**1,005,062**	881,357	**43,478**	38,659
Sarawak	**3,761,527**	3,207,311	**2,261,520**	2,107,514
Sabah	**2,872,213**	2,602,905	**1,657,116**	1,578,753
Labuan	**523,363**	487,209	**353,642**	263,023
Putrajaya	**593,853**	-	**49,563**	-
Outside Malaysia	**1,715,935**	1,287,797	**1,289,101**	1,265,113
	79,511,068	72,044,655	**38,593,166**	36,371,882

(h) IMPAIRED LOANS, ADVANCES AND FINANCING

(i) Movements of impaired loans, advances and financing

At beginning of the financial year	**1,398,005**	1,265,411	**1,067,037**	973,145
Classified as impaired	**1,111,757**	1,165,240	**687,598**	675,154
Reclassified as non-impaired	**(584,824)**	(467,156)	**(316,024)**	(226,793)
Amount recovered	**(325,080)**	(229,669)	**(282,881)**	(87,743)
Amount written-off	**(296,343)**	(335,821)	**(164,656)**	(266,726)
At end of the financial year	**1,303,515**	1,398,005	**991,074**	1,067,037
Ratio of gross impaired loans, advances and financing to gross loans, advances and financing (*)	**1.64%**	1.94%	**2.44%**	2.72%

(*) For the Bank, restricted investment accounts ('RIA') amounted to RM2,553,344,000 (2024: RM3,259,649,000) with impaired financing amounted to RM11,509,000 (2024: RM11,382,000), were included in the ratio calculation.

The outstanding contractual amounts of such assets written-off during the financial year amounted to RM296,343,000 (2024: RM335,821,000) for the Group and RM164,656,000 (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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
(ii) Impaired loans by economic sectors	**RM'000**	RM'000	**RM'000**	RM'000
Primary agriculture	**741**	10,510	**551**	10,334
Mining and quarrying	**7,418**	8,811	**7,365**	8,811
Manufacturing	**75,861**	56,684	**69,988**	50,259
Electricity, gas and water supply	**4,065**	11,499	**4,065**	11,457
Construction	**95,504**	138,757	**72,405**	110,502
Real estate	**148,236**	338,063	**139,279**	297,531
Wholesale, retail trade, hotels and restaurants	**278,834**	220,703	**231,640**	174,156
Transport, storage and communication	**109,651**	93,589	**101,820**	86,404
Finance, insurance and business services	**33,040**	26,509	**19,161**	12,613
Education, health and others	**14,572**	14,186	**12,523**	11,889
Household	**535,593**	478,694	**332,277**	293,081
	1,303,515	1,398,005	**991,074**	1,067,037
(iii) Impaired loans by economic purpose				
Purchase of securities	**61**	19,098	**57**	2
Purchase of transport vehicles	**92,442**	76,865	**39,161**	38,537
Purchase of landed properties of which:				
- Residential	**396,532**	378,797	**257,984**	246,858
- Non-residential	**237,063**	200,436	**208,758**	162,760
Fixed assets other than land and building	**6,123**	11,551	**6,123**	11,551
Personal use	**38,127**	30,563	**18,118**	13,657
Credit card	**3,218**	1,885	**2,549**	1,657
Construction	**58,801**	181,462	**58,801**	181,462
Working capital	**436,233**	468,528	**365,415**	388,686
Others	**34,915**	28,820	**34,108**	21,867
	1,303,515	1,398,005	**991,074**	1,067,037
(iv) Impaired loans by geographical distribution				
Perlis	**4,517**	3,962	**95**	68
Kedah	**35,350**	61,163	**11,225**	37,471
Pulau Pinang	**66,686**	68,942	**50,668**	53,961
Perak	**76,834**	125,371	**65,882**	114,802
Selangor	**449,512**	467,092	**324,184**	317,513
Wilayah Persekutuan	**389,214**	421,591	**331,118**	367,969
Negeri Sembilan	**33,462**	36,266	**18,343**	22,192
Melaka	**71,999**	77,180	**63,535**	63,901
Johor	**107,849**	66,798	**84,462**	42,524
Pahang	**22,508**	35,053	**14,941**	28,217
Terengganu	**5,172**	4,028	**928**	578
Kelantan	**10,952**	9,080	**787**	360
Sarawak	**14,524**	7,286	**13,393**	6,761
Sabah	**14,819**	14,193	**11,507**	10,720
Labuan	**111**	-	**-**	-
Outside Malaysia	**6**	-	**6**	-
	1,303,515	1,398,005	**991,074**	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 31/12/2025	**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 year	**149,185**	**504,490**	**498,895**	**1,152,570**
Total transfer between stages due to change in credit risk:	**(921,851)**	**998,595**	**(76,744)**	**-**
- Transfer to 12-month ECL (Stage 1)	**114,401**	**(90,984)**	**(23,417)**	**-**
- Transfer to Lifetime ECL not credit impaired (Stage 2)	**(1,032,306)**	**1,144,261**	**(111,955)**	**-**
- Transfer to Lifetime ECL credit impaired (Stage 3)	**(3,946)**	**(54,682)**	**58,628**	**-**
Loans/financing derecognised (other than write-off)	**(50,118)**	**(1,116,229)**	**(52,912)**	**(1,219,259)**
New loans/financing originated or purchased	**1,092,633**	**-**	**-**	**1,092,633**
Changes due to change in credit risk	**(114,777)**	**(72,620)**	**329,950**	**142,553**
Write-off	**-**	**-**	**(199,551)**	**(199,551)**
Other adjustments	**(160)**	**(136)**	**(3,320)**	**(3,616)**
At end of the financial year	**154,912**	**314,100**	**496,318**	**965,330**

The Group 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	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 31/12/2025	**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 year	**83,625**	**286,670**	**361,573**	**731,868**
Total transfer between stages due to change in credit risk:	**11,158**	**22,768**	**(33,926)**	**-**
- Transfer to 12-month ECL (Stage 1)	**64,183**	**(50,329)**	**(13,854)**	**-**
- Transfer to Lifetime ECL not credit impaired (Stage 2)	**(49,108)**	**107,338**	**(58,230)**	**-**
- Transfer to Lifetime ECL credit impaired (Stage 3)	**(3,917)**	**(34,241)**	**38,158**	**-**
Loans/financing derecognised (other than write-off)	**(32,890)**	**(42,335)**	**(48,720)**	**(123,945)**
New loans/financing originated or purchased	**85,238**	**-**	**-**	**85,238**
Changes due to change in credit risk	**(57,516)**	**(85,944)**	**239,618**	**96,158**
Write-off	**-**	**-**	**(111,061)**	**(111,061)**
Other adjustments	**(104)**	**(132)**	**(8,464)**	**(8,700)**
At end of the financial year	**89,511**	**181,027**	**399,020**	**669,558**

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	
	31/12/2025	31/12/2024
	RM'000	RM'000
Amount due from stock-broking clients:		
- performing accounts	**769,883**	293,933
- impaired accounts (i)	**114**	151
Amount due from brokers	**33,405**	60,110
Amount due from Bursa Securities Clearing Sdn Bhd	**-**	159,940
Less: ECL (ii)	**(274)**	(227)
	803,128	513,907
(i) Movements of impaired amount due from stock-broking clients		
At beginning of the financial year	**151**	114
Classified as impaired	**1,873**	3,809
Reclassified as non-impaired	**(1,910)**	(3,772)
At end of the financial year	**114**	151
(ii) Movements in ECL		
At beginning of the financial year	**227**	223
Allowance made	**1,990**	3,957
Amount written-back	**(1,943)**	(3,953)
At end of the financial year	**274**	227

A15. OTHER ASSETS

	The Group		The Bank	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
	RM'000	RM'000	**RM'000**	RM'000
Other debtors and deposits	**405,116**	366,000	**313,744**	274,215
Prepayments	**209,992**	159,655	**95,252**	76,593
Clearing accounts	**29,964**	74,038	**28,323**	36,893
Cash collateral pledged for securities borrowing transaction	**71,874**	63,996		-
Cash collateral pledged for derivative transactions	**14,503**	1,790	**-**	-
Equity margin with Bursa Malaysia	**11,517**	10,606	**-**	-
Foreclosed properties (i)	**8,724**	8,724	**5,901**	5,901
	751,690	684,809	**443,220**	393,602
Less: ECL (ii)	**(20,957)**	(21,067)	**(9,290)**	(9,290)
	730,733	663,742	**433,930**	384,312
(i) Foreclosed properties				
At beginning of the financial year	**8,724**	19,316	**5,901**	5,901
Disposal	**-**	(10,592)	**-**	-
At end of the financial year	**8,724**	8,724	**5,901**	5,901
(ii) Movements in ECL				
At beginning of the financial year	**21,067**	23,251	**9,290**	20,966
Allowance made	**562**	32,343	**-**	9,290
Amount written-back	**(672)**	(34,527)	**-**	(20,966)
At end of the financial year	**20,957**	21,067	**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

A16. OTHER LIABILITIES

	The Group		The Bank	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
	RM'000	RM'000	**RM'000**	RM'000
BNM and Credit Guarantee Corporation Funding programmes (a)	**186,303**	217,603	**147,409**	196,227
Clearing accounts	**175,048**	301,705	**145,534**	301,705
Margin and collateral deposits	**179,504**	128,852	**144,332**	102,476
Other creditors and accruals	**344,341**	291,487	**230,164**	145,045
Sundry creditors	**137,222**	217,288	**103,810**	187,758
Provision for zakat	**5,003**	6,301	**1,285**	1,048
Defined contribution plan (b)	**37,668**	37,114	**34,713**	34,822
Accrued employee benefits	**151,218**	168,291	**116,090**	120,024
Contract liability	**105,616**	121,481	**43,504**	34,931
Commissioned dealer's representatives trust balances	**60,789**	62,890	**-**	-
Cash collaterals pledged for securities derivative transactions	**1,059**	-	**-**	-
Cash collaterals pledged for securities lending and borrowings transactions	**126,957**	202,696	**-**	-
Amounts payable to commissioned and salaried dealer's representatives	**38,665**	54,515	**-**	-
Structured Investment Products	**742,018**	-	**-**	-
Add: ECL (c)				
- loan/financing commitments and financial guarantees	**21,383**	16,799	**13,316**	11,709
	2,312,794	1,827,022	**980,157**	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 financing with a six-year maturity amounted to RM115,183,000 (2024: RM160,758,000). The financing under the government scheme is for financing 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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
(c) **Movement in ECL**	**RM'000**	RM'000	**RM'000**	RM'000
At beginning of the financial year	**16,799**	49,117	**11,709**	15,067
Net remeasurement of loss allowance	**3,434**	(32,061)	**1,063**	(3,684)
New loan commitments and financial guarantees issued	**10,349**	13,400	**7,435**	10,292
Loan commitment and financial guarantees derecognised	**(9,199)**	(13,657)	**(6,891)**	(9,966)
At end of the financial year	**21,383**	16,799	**13,316**	11,709

A17. RESERVES

	Group		Bank	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
	RM'000	RM'000	**RM'000**	RM'000
FVOCI revaluation reserves (a)	**228,942**	170,624	**228,752**	207,027
Regulatory reserves (b)	**594,418**	473,143	**326,563**	335,563
Other reserves (c)	**22,601**	3,493	**36,770**	17,241
Retained profits	**5,884,406**	5,465,488	**4,351,086**	4,126,004
	6,730,367	6,112,748	**4,943,171**	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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**RM'000**	RM'000	**RM'000**	RM'000
Loan, advances and financing	**548,023**	531,370	**2,096,815**	2,141,243
Money at call and deposits placements with financial institutions	**22,351**	19,548	**90,022**	91,104
Reverse repurchase agreements with financial institutions	**636**	46	**1,929**	445
Financial investments at FVOCI	**113,883**	102,477	**431,074**	390,979
Financial investments at AC	**79,830**	91,767	**316,487**	369,904
Interest income on Securities Borrowing Collateral	**495**	670	**2,721**	1,949
Interest income from Discretionary Financing	**2,187**	838	**5,458**	3,331
Others	**160**	589	**1,146**	2,752
	767,565	747,305	**2,945,652**	3,001,707
The Bank				
Loan, advances and financing	**482,170**	453,044	**1,808,398**	1,810,114
Money at call and deposits placements with financial institutions	**48,065**	59,255	**217,632**	257,901
Reverse repurchase agreements with financial institutions	**636**	112	**1,929**	551
Financial investments at FVOCI	**82,701**	65,878	**300,723**	249,580
Financial investments at AC	**77,749**	93,961	**319,464**	379,244
Others	**12**	451	**647**	1,852
	691,333	672,701	**2,648,793**	2,699,242

A19. INTEREST EXPENSE

	Individual Quarter Ended		Cumulative Quarter Ended	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**RM'000**	RM'000	**RM'000**	RM'000
Deposits from customers	**342,133**	363,555	**1,395,549**	1,535,278
Deposits and placements of banks and other financial institutions	**55,941**	58,436	**229,667**	258,890
Obligation on securities sold under repurchase agreements	**40,618**	50,810	**174,504**	197,559
Loans sold to Cagamas Berhad	**40,520**	30,554	**139,914**	105,237
Borrowings and Sukuk	**37,459**	18,604	**118,037**	60,866
Interest expense on Securities Lending Collateral	**1,390**	2,771	**7,958**	11,185
Others	**1,161**	(3,165)	**5,253**	6,287
	519,222	521,565	**2,070,882**	2,175,302
The Bank				
Deposits from customers	**295,704**	314,982	**1,210,410**	1,366,802
Deposits and placements of banks and other financial institutions	**53,267**	55,612	**220,822**	247,642
Obligation on securities sold under repurchase agreements	**40,618**	49,039	**171,103**	185,884
Loans sold to Cagamas Berhad	**40,520**	30,554	**139,914**	105,237
Borrowings and Sukuk	**37,459**	18,698	**118,123**	60,964
Others	**1,058**	1,456	**4,611**	5,137
	468,626	470,341	**1,864,983**	1,971,666

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

	Individual Quarter Ended		Cumulative Quarter Ended	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**RM'000**	RM'000	**RM'000**	RM'000
Fee and commission income:				
Gross brokerage fee income	**34,118**	53,127	**113,559**	125,858
Corporate advisory fees	**1,746**	7,619	**6,859**	11,645
Commission	**15,623**	12,584	**52,635**	48,791
Service charges and fees	**27,505**	23,451	**91,084**	103,404
Guarantee fees	**3,776**	3,435	**14,231**	14,367
Arrangement fees	**574**	1,890	**1,505**	3,226
Other fee income	**18,899**	11,909	**48,836**	37,871
	102,241	114,015	**328,709**	345,162
Fee and commission expense:				
Commission and referral expense	**(6,227)**	(5,331)	**(22,620)**	(17,216)
Brokerage fee expense	**(5,145)**	(30,038)	**(22,993)**	(30,038)
	(11,372)	(35,369)	**(45,613)**	(47,254)
Net fee and commission income	**90,869**	78,646	**283,096**	297,908
The Bank				
Fee and commission income:				
Commission	**15,543**	12,537	**52,471**	48,532
Service charges and fees	**27,366**	23,340	**90,613**	103,044
Guarantee fees	**3,625**	3,267	**13,571**	13,211
Other fee income	**271**	297	**1,145**	961
	46,805	39,441	**157,800**	165,748
Fee and commission expense:				
Commission and referral expense	**(6,227)**	(5,331)	**(22,620)**	(17,216)
Net fee and commission income	**40,578**	34,110	**135,180**	148,532

A21. NET GAINS ON FINANCIAL INSTRUMENTS

	Individual Quarter Ended		Cumulative Quarter Ended	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**RM'000**	RM'000	**RM'000**	RM'000
Income from financial instruments:				
Gains/(losses) arising on financial assets at FVTPL:				
- net gain on disposal	**10,726**	15,326	**69,896**	55,078
- unrealised (losses)/gains	**(2,861)**	1,566	**(3,862)**	13,120
- interest/profit income	**18,722**	26,316	**85,840**	78,472
- gross dividend income	**749**	863	**3,479**	4,388
Gains/(losses) on derivatives instruments:				
- realised gains/(losses)	**(544)**	4,202	**22,769**	(6,948)
- unrealised gains/(losses)	**10,566**	33,243	**(45,710)**	28,298
- interest/profit income	**(8,489)**	4,293	**(6,550)**	16,102
Gains arising on financial investments at FVOCI:				
- net gain on disposal	**51,735**	4,260	**163,966**	14,457
- gross dividend income	**-**	458	**882**	1,340
Unrealised (losses)/gains on fair value changes arising from fair value hedges	**2,487**	(12,455)	**245**	988
Net gains on financial instruments	**83,091**	84,868	**290,955**	212,091

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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Bank	**RM'000**	RM'000	**RM'000**	RM'000
Income from financial instruments:				
Gains/(losses) arising on financial assets at FVTPL:				
- net gain on disposal	**7,072**	6,414	**36,617**	7,491
- unrealised (losses)/gains	**6,799**	(5,766)	**17,340**	3,963
- interest income	**20,627**	19,922	**75,386**	52,430
- gross dividend income	**552**	505	**2,191**	2,038
Gains/(losses) on derivatives instruments:				
- realised gains/(losses)	**(3,744)**	1,453	**4,509**	1,317
- unrealised gains/(losses)	**12,149**	34,305	**(36,392)**	31,893
- interest income	**(7,493)**	3,817	**(6,284)**	14,339
Gains arising on financial investments at FVOCI:				
- net gain on disposal	**41,169**	3,181	**119,739**	14,725
- gross dividend income	**-**	458	**732**	1,190
Unrealised gains on fair value changes arising from fair value hedges	**2,487**	(12,455)	**245**	988
Net gains on financial instruments	**79,618**	56,874	**214,083**	135,414

A22. OTHER INCOME

	Individual Quarter Ended		Cumulative Quarter Ended	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**RM'000**	RM'000	**RM'000**	RM'000
Foreign exchange (losses)/gains:				
- realised	**58,355**	(1,007,223)	**519,574**	209,417
- unrealised	**(22,036)**	982,592	**(403,317)**	(70,915)
Rental income	**781**	(282)	**2,909**	74
Gains/(losses) on disposal of property and equipment	**68**	2,525	**1,949**	2,667
Gains on disposal of right-of-use assets	**-**	-	**511**	-
Other non-operating income	**1,197**	(2,262)	**4,246**	951
Total other income	**38,365**	(24,650)	**125,872**	142,194
The Bank				
Foreign exchange (losses)/gains:				
- realised	**36,274**	(1,020,907)	**445,862**	86,457
- unrealised	**(2,960)**	994,360	**(336,484)**	49,661
Rental income	**2,159**	1,223	**8,517**	7,436
Gains on disposal of property and equipment	**-**	2,525	**1,881**	2,637
Gains on disposal of right-of-use assets	**-**	-	**511**	-
Other non-operating income	**18,295**	5,935	**67,697**	24,095
Gross dividend received from:				
- subsidiaries	**3,000**	75,000	**83,959**	76,369
- associates	**-**	-	**32,700**	64,800
Total other income	**56,768**	58,136	**304,643**	311,455

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

	Individual Quarter Ended		Cumulative Quarter Ended	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**RM'000**	RM'000	**RM'000**	RM'000
Personnel costs				
Wages, salaries and bonus	**194,961**	211,183	**735,485**	771,654
Defined contribution plan	**36,852**	36,598	**131,041**	133,864
Voluntary separation scheme	**3,068**	46,629	**7,942**	47,426
Employee benefits share grant scheme ('SGS')	**5,794**	4,670	**19,529**	13,095
Other personnel costs	**40,553**	28,743	**131,117**	98,975
	281,228	327,823	**1,025,114**	1,065,014
Promotion and marketing-related expenses				
Business promotion and advertisement	**9,471**	6,842	**26,892**	27,492
Entertainment	**740**	289	**2,911**	2,091
Traveling and accommodation	**1,520**	1,315	**4,828**	5,658
Commission and brokerage expenses	**5,497**	2,704	**19,464**	13,799
Other marketing expenses	**1,598**	1,765	**6,398**	7,218
	18,826	12,915	**60,493**	56,258
Establishment expenses				
Equipment rental	**3,668**	872	**7,619**	4,121
Repair and maintenance	**38,971**	28,057	**164,740**	159,094
Depreciation of property and equipment	**23,503**	17,821	**74,736**	70,306
Depreciation of investment property	**651**	-	**2,600**	-
Depreciation of right-of-use assets	**9,638**	9,807	**38,071**	35,851
Amortisation of intangible assets	**5,813**	5,285	**21,752**	20,016
IT consultancy fee	**2,697**	483	**6,422**	1,070
Dataline rental	**9,100**	8,311	**51,950**	36,922
Security services	**5,643**	6,799	**23,552**	21,150
Electricity, water and sewerage	**3,508**	4,216	**15,164**	16,838
Insurance/Takaful and indemnities	**1,572**	1,569	**21,768**	20,741
Other establishment costs	**18,286**	5,045	**33,029**	13,763
	123,050	88,265	**461,403**	399,872
General and administrative expenses				
Telecommunication expenses	**3,129**	2,855	**13,668**	13,642
Auditors' remuneration	**1,166**	1,755	**3,598**	4,528
Professional fees	**2,596**	8,907	**20,547**	21,869
Property and equipment written-off	**126**	(2,593)	**206**	183
Intangible asset written-off	**-**	139	**-**	139
Mail and courier charges	**749**	389	**3,355**	2,634
Stationery and consumables	**2,836**	13	**13,578**	12,456
Directors' fees and allowances	**2,418**	2,405	**8,617**	8,418
Donations	**706**	(182)	**4,233**	2,097
Settlement, clearing and bank charges	**11,733**	10,603	**46,199**	37,536
Stamp duties	**120**	594	**406**	2,105
Operational and litigation write-off expenses	**62**	9	**4,803**	25
Subscription fees	**2,588**	2,782	**13,936**	11,574
Other administration and general expenses	**11,401**	8,800	**21,836**	29,758
	39,630	36,476	**154,982**	146,964
Total other operating expenses	**462,734**	465,479	**1,701,992**	1,668,108

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.)

	Individual Quarter Ended		Cumulative Quarter Ended	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Bank	**RM'000**	RM'000	**RM'000**	RM'000
Personnel costs				
Wages, salaries and bonus	**121,982**	124,580	**444,049**	472,043
Defined contribution plan	**18,356**	22,534	**76,831**	84,049
Voluntary separation scheme	**1,534**	45,042	**6,408**	45,839
Employee benefits share grant scheme ('SGS')	**5,457**	3,505	**18,336**	9,502
Other personnel costs	**39,054**	5,327	**88,466**	66,058
	186,383	200,988	**634,090**	677,491
Promotion and marketing-related expenses				
Business promotion and advertisement	**8,638**	6,059	**24,394**	25,764
Entertainment	**57**	136	**1,403**	1,401
Travelling and accommodation	**1,110**	683	**2,579**	3,302
Commission and brokerage expenses	**5,417**	2,383	**18,347**	12,779
Others marketing expenses	**791**	904	**2,819**	3,077
	16,013	10,165	**49,542**	46,323
Establishment expenses				
Equipment rental	**440**	640	**3,730**	3,247
Repair and maintenance	**30,908**	14,439	**94,108**	95,023
Depreciation of property and equipment	**22,627**	17,152	**71,228**	67,494
Depreciation of investment property	**895**	-	**3,575**	-
Depreciation of right-of-use assets	**8,364**	8,368	**32,814**	30,179
Amortisation of intangible assets	**5,584**	5,072	**20,832**	19,122
IT consultancy fee	**715**	483	**4,440**	1,070
Dataline rental	**1,408**	5,865	**37,200**	27,139
Security services	**3,158**	5,249	**16,068**	14,973
Electricity, water and sewerage	**2,315**	2,661	**9,550**	10,590
Insurance/Takaful and indemnities	**3,362**	1,073	**15,958**	14,889
Other establishment costs	**1,337**	4,109	**9,125**	5,739
	81,113	65,111	**318,628**	289,465
General and administrative expenses				
Telecommunication expenses	**865**	331	**1,227**	2,033
Auditors' remuneration	**869**	1,196	**2,168**	3,203
Professional fees	**111**	16,484	**12,504**	17,153
Property and equipment written-off	**123**	(2,448)	**203**	70
Mail and courier charges	**110**	1,199	**2,636**	2,530
Stationery and consumables	**399**	2,222	**9,744**	8,905
Directors' fees and allowances	**1,090**	998	**3,768**	3,565
Donations	**633**	(396)	**3,982**	1,478
Settlement, clearing and bank charges	**10,027**	9,247	**39,567**	33,053
Stamp duties	**39**	126	**228**	212
Operational and litigation write-off expenses	**62**	8	**4,803**	24
Subscription fees	**-**	-	**-**	3
Other administration and general expenses	**12,455**	(2,192)	**14,293**	22,884
	26,783	26,775	**95,123**	95,113
Total other operating expenses	**310,292**	303,039	**1,097,383**	1,108,392

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

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

	Individual Quarter Ended		Cumulative Quarter Ended	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**RM'000**	RM'000	**RM'000**	RM'000
ECL made on/(written-back):				
- loans, advances and financing	**17,277**	(41,795)	**15,631**	(58,514)
- amount due from clients and brokers	**23**	(80)	**47**	4
- securities and placements	**(2,839)**	(28,913)	**(15,759)**	(97,442)
- loans/financing commitments and financial guarantee	**2,588**	(4,867)	**4,584**	(32,318)
Bad debts and financing:				
- recovered	**(17,078)**	(12,801)	**(57,203)**	(50,505)
- written-off	**15,691**	6,878	**76,867**	68,594
	15,662	(81,578)	**24,167**	(170,181)
The Bank				
ECL made on/(written-back):				
- loans, advances and financing	**47,035**	(19,143)	**57,215**	(54,771)
- securities and placements	**700**	(28,201)	**(12,812)**	(74,710)
- loans/financing commitments and financial guarantee	**417**	(3,312)	**1,607**	(3,358)
Bad debts and financing:				
- recovered	**(10,847)**	(9,002)	**(37,988)**	(34,706)
- written-off	**8,456**	2,133	**42,696**	53,394
	45,761	(57,525)	**50,718**	(114,151)

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

	Individual Quarter Ended		Cumulative Quarter Ended	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**RM'000**	RM'000	**RM'000**	RM'000
Allowance for impairment made on/(written-back):				
- amount due from joint ventures	**659**	-	**7,143**	32
- other debtors	**117**	(253)	**(110)**	18,781
	776	(253)	**7,033**	18,813
The Bank				
Allowance for impairment made on:				
- other debtors	**-**	-	**-**	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 31 December 2025 and 31 December 2024 are as follows:

Current year's individual quarter ended 31 December 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)	217,115	31,576	-	(4)	-	248,687
Intersegment income/(expense)	8,740	(8,782)	-	42	(344)	(344)
Total net interest income	225,855	22,794	-	38	(344)	248,343
Income from Islamic banking business	232,268	-	-	-	365	232,633
Net non-interest income	160,941	67,910	-	12,943	(29,469)	212,325
Total segment revenue	619,064	90,704	-	12,981	(29,448)	693,301
Operating expenses	(429,371)	(49,117)	-	(12,009)	27,763	(462,734)
of which:						
Depreciation of property and equipment	(22,661)	(524)	-	(74)	(244)	(23,503)
Depreciation of investment property	(895)	-	-	-	244	(651)
Depreciation of right-of-use assets	(8,382)	(2,373)		(117)	1,234	(9,638)
Amortisation of intangible assets	(5,613)	(175)	-	(25)	-	(5,813)
(Allowances for)/write-back of impairment losses on loans, advances and financing, amount due from clients and brokers, securities and other assets	(16,208)	(336)	-	-	106	(16,438)
Segment results	173,485	41,251	-	972	(1,579)	214,129
Share of results of associates (net of tax)	-	-	4,000	-	-	4,000
Profit before zakat and taxation	173,485	41,251	4,000	972	(1,579)	218,129
Zakat	(2,475)	-	-	-	-	(2,475)
Profit before taxation	171,010	41,251	4,000	972	(1,579)	215,654
Taxation						(88,021)
Net profit for the current individual quarter						127,633

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 31 December 2025 and 31 December 2024 are as follows (Cont.):

Preceding year's individual quarter ended 31 December 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)	197,720	27,970	-	(8)	-	225,682
Intersegment income/(expense)	6,925	(6,979)	-	54	58	58
Total net interest income	204,645	20,991	-	46	58	225,740
Income from Islamic banking business	193,067	-	-	-	-	193,067
Net non-interest income	149,009	72,039	-	2,778	(84,962)	138,864
Total segment revenue	546,721	93,030	-	2,824	(84,904)	557,671
Operating expenses	(399,496)	(66,611)	-	(6,321)	6,949	(465,479)
of which:						
Depreciation of property and equipment	(17,188)	(550)	-	(83)	-	(17,821)
Depreciation of right-of-use assets	(8,414)	(2,397)	-	(114)	1,118	(9,807)
Amortisation of intangible assets	(5,100)	(181)	-	(4)	-	(5,285)
Write-back of/(allowances for) impairment losses on loans, advances and financing, amount due from clients and brokers, securities and other assets	81,338	750	-	-	(257)	81,831
Segment results	228,563	27,169	-	(3,497)	(78,212)	174,023
Share of results of associates (net of tax)	-	-	34,338	-	-	34,338
Profit before zakat and taxation	228,563	27,169	34,338	(3,497)	(78,212)	208,361
Zakat	(2,014)	-	-	-	-	(2,014)
Profit before taxation	226,549	27,169	34,338	(3,497)	(78,212)	206,347
Taxation						(71,251)
Net profit for the preceeding individual quarter						135,096

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 31 December 2025 and 31 December 2024 are as follows (Cont.):

Current year's cumulative quarter ended 31 December 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)	767,457	108,665	-	(22)	-	876,100
Intersegment income/(expense)	25,465	(25,671)	-	206	(1,330)	(1,330)
Total net interest income	792,922	82,994	-	184	(1,330)	874,770
Income from Islamic banking business	865,362	-	-	-	1,452	866,814
Net non-interest income	630,192	242,931	-	27,715	(200,915)	699,923
Total segment revenue	2,288,476	325,925	-	27,899	(200,793)	2,441,507
Operating expenses	(1,522,613)	(221,960)	-	(39,026)	81,607	(1,701,992)
of which:						
Depreciation of property and equipment	(71,365)	(2,077)	-	(319)	(975)	(74,736)
Depreciation of investment property	(3,575)	-	-	-	975	(2,600)
Depreciation of right-of-use assets	(32,917)	(9,265)	-	(454)	4,565	(38,071)
Amortisation of intangible assets	(20,945)	(730)	-	(77)	-	(21,752)
(Allowances for)/write-back of impairment losses on loans, advances and financing, amount due from clients and brokers, securities and other assets	(30,475)	(788)	-	-	63	(31,200)
Segment results	735,388	103,177	-	(11,127)	(119,123)	708,315
Share of results of associates (net of tax)	-	-	52,380	-	-	52,380
Profit before zakat and taxation	735,388	103,177	52,380	(11,127)	(119,123)	760,695
Zakat	(4,950)	-	-	-	-	(4,950)
Profit before taxation	730,438	103,177	52,380	(11,127)	(119,123)	755,745
Taxation						(215,552)
Net profit for the current cumulative quarter						540,193
Segment assets						
Investment in associates	-	-	853,315	-	-	853,315
Right-of-use assets	62,316	5,106		428	(1,224)	66,626
Other segment assets	113,818,861	9,331,871	-	3,068	-	123,153,800
Total segment assets	113,881,177	9,336,977	853,315	3,496	(1,224)	124,073,741
Segment liabilities						
Total segment liabilities	105,671,463	6,152,999	-	30,368	-	111,854,830
Other information						
Capital expenditure	228,297	3,261	-	1	-	231,559

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 31 December 2025 and 31 December 2024 are as follows (Cont.):

Preceding year's cumulative quarter ended 31 December 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)	704,932	121,226	-	(36)	-	826,122
Intersegment income/(expense)	30,479	(30,697)	-	218	283	283
Total net interest income	735,411	90,529	-	182	283	826,405
Income from Islamic banking business	691,149	-	-	-	-	691,149
Net non-interest income	595,537	218,414	-	12,686	(174,444)	652,193
Total segment revenue	2,022,097	308,943	-	12,868	(174,161)	2,169,747
Operating expenses	(1,464,323)	(209,137)	-	(22,000)	27,352	(1,668,108)
of which:						
Depreciation of property and equipment	(67,655)	(2,319)	-	(332)	-	(70,306)
Depreciation of right-of-use assets	(30,292)	(9,427)	-	(435)	4,303	(35,851)
Amortisation of intangible assets	(19,262)	(740)	-	(14)	-	(20,016)
Write-back of impairment losses on loans, advances and financing, amount due from clients and brokers, securities and other assets	90,714	52,084	-	-	8,570	151,368
Segment results	648,488	151,890	-	(9,132)	(138,239)	653,007
Share of results of associates (net of tax)	-	-	54,729	-	-	54,729
Profit before zakat and taxation	648,488	151,890	54,729	(9,132)	(138,239)	707,736
Zakat	(5,370)	(1,337)	-	-	-	(6,707)
Profit before taxation	643,118	150,553	54,729	(9,132)	(138,239)	701,029
Taxation						(191,326)
Net profit for the preceding cumulative quarter						509,703
Segment assets						
Investment in associates	-	-	830,917	-	-	830,917
Right-of-use assets	62,426	12,975	-	798	(4,334)	71,865
Other segment assets	102,653,423	8,282,736	-	3,166	-	110,939,325
Total segment assets	102,715,849	8,295,711	830,917	3,964	(4,334)	111,842,107
Segment liabilities						
Total segment liabilities	94,754,398	5,482,850	-	3,567	-	100,240,815
Other information						
Capital expenditure	291,177	5,825	-	14	-	297,016

A27. MATERIAL EVENT DURING AND SUBSEQUENT TO THE FINANCIAL YEAR

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:

(i) 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

(ii) 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 year 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	
	31/12/2025 RM'000	31/12/2024 RM'000	**31/12/2025 RM'000**	31/12/2024 RM'000
Direct credit substitutes *	**718,534**	547,957	**470,207**	395,893
Transaction-related contingent items	**1,320,681**	1,166,378	**886,188**	715,944
Short-term self-liquidating trade-related contingencies	**1,858,165**	3,695,873	**95,326**	43,616
Obligations under an on-going underwriting agreement	**8,249**	-	**-**	-
Irrevocable commitments to extend credit^				
- Maturity less than one year	**12,361,249**	9,001,392	**5,579,217**	4,553,519
- Maturity more than one year	**5,043,539**	2,640,368	**3,548,693**	1,827,307
Foreign exchange related contracts #				
- Less than one year	**34,949,775**	39,087,200	**35,262,336**	38,404,456
- One year to less than five years	**275,536**	110,334	**199,960**	-
Interest/profit rate related contracts #				
- Less than one year	**7,371,000**	2,119,000	**5,871,000**	1,514,000
- One year to less than five years	**22,266,058**	18,313,866	**18,168,464**	13,313,170
- Five years and above	**840,431**	868,367	**840,431**	765,342
Equity related contracts	**116,128**	94,098	**-**	**-**
Share margin financing	**2,314,634**	1,815,376	**-**	-
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)	**-**	3,739,622	**-**	3,739,622
Unutilised credit card lines	**2,318,907**	1,986,666	**1,775,660**	1,592,949
	91,762,886	85,186,497	**72,697,482**	66,865,818

* *Included in direct credit substitutes above are financial guarantee contracts of RM718,534,000 and RM470,207,000 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 comparative balance of the commitment on share margin financing have been reclassified to conform to current year's presentation.*

\# *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			
The Group	**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**
As at 31 December 2025												
Trading derivatives												
Foreign exchange derivatives:												
- Currency forwards	**11,449,837**	**-**	**-**	**11,449,837**	**21,738**	**-**	**-**	**21,738**	**329,341**	**-**	**-**	**329,341**
- Cross currency interest rate swaps	**-**	**75,576**	**199,960**	**275,536**	**-**	**592**	**7,150**	**7,742**	**-**	**549**	**5,531**	**6,080**
- Currency swaps	**23,464,414**	**-**	**-**	**23,464,414**	**198,302**	**-**	**-**	**198,302**	**181,216**	**-**	**-**	**181,216**
- Currency options	**35,524**	**-**	**-**	**35,524**	**4,595**	**-**	**-**	**4,595**	**4,509**	**-**	**-**	**4,509**
Interest/profit rate derivatives:												
- Interest/profit rate swaps	**6,161,000**	**13,690,880**	**5,377,843**	**25,229,723**	**3,605**	**33,830**	**9,157**	**46,592**	**6,094**	**39,531**	**25,376**	**71,001**
- Interest/profit rate options	**-**	**-**	**529,422**	**529,422**	**-**	**-**	**177**	**177**	**-**	**-**	**177**	**177**
Equity derivatives	**116,128**	**-**	**-**	**116,128**	**-**	**-**	**-**	**-**	**15,261**	**-**	**-**	**15,261**
Hedging derivatives												
Interest/profit rate derivatives:												
- Interest/profit rate swaps	**1,210,000**	**1,079,210**	**2,429,134**	**4,718,344**	**3,473**	**-**	**21,583**	**25,056**	**-**	**9,463**	**11,242**	**20,705**
	42,436,903	**14,845,666**	**8,536,359**	**65,818,928**	**231,713**	**34,422**	**38,067**	**304,202**	**536,421**	**49,543**	**42,326**	**628,290**
As at 31 December 2024												
Trading derivatives												
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
Hedging derivatives												
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			
The Bank	**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**
As at 31 December 2025												
Trading derivatives												
Foreign exchange derivatives:												
- Currency forwards	**10,429,498**	**-**	**-**	**10,429,498**	**20,239**	**-**	**-**	**20,239**	**301,727**	**-**	**-**	**301,727**
- Currency swaps	**24,797,314**	**-**	**-**	**24,797,314**	**198,583**	**-**	**-**	**198,583**	**219,218**	**-**	**-**	**219,218**
- Currency options	**35,524**	**-**	**-**	**35,524**	**4,595**	**-**	**-**	**4,595**	**4,509**	**-**	**-**	**4,509**
- Cross currency interest rate swaps	**-**	**-**	**199,960**	**199,960**	**-**	**-**	**7,150**	**7,150**	**-**	**-**	**5,531**	**5,531**
Interest rate derivatives:												
- Interest rate swaps	**5,161,000**	**11,270,521**	**4,264,843**	**20,696,364**	**3,234**	**25,988**	**6,350**	**35,572**	**4,942**	**26,725**	**18,658**	**50,325**
- Interest rate options	**-**	**-**	**529,422**	**529,422**	**-**	**-**	**177**	**177**	**-**	**-**	**177**	**177**
Hedging derivatives												
Interest rate derivatives:												
- Interest rate swaps	**710,000**	**818,000**	**2,126,109**	**3,654,109**	**2,028**	**-**	**21,583**	**23,611**	**-**	**6,566**	**5,627**	**12,193**
	41,133,336	**12,088,521**	**7,120,334**	**60,342,191**	**228,679**	**25,988**	**35,260**	**289,927**	**530,396**	**33,291**	**29,993**	**593,680**
As at 31 December 2024												
Trading derivatives												
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
Hedging derivatives												
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 RM83,856,000 (2024: RM232,265,000), while the notional amount of interest rate contract was RM1,223,576,000 (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 RM608,811,000 (2024: RM598,837,000) and RM588,510,000 (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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
a) The components of CET 1, Tier 1 and Tier 2 capital:	**RM'000**	RM'000	**RM'000**	RM'000
CET 1				
Paid-up share capital	**5,488,544**	5,488,544	**5,488,544**	5,488,544
Retained profits	**5,884,406**	5,465,488	**4,351,086**	4,126,004
Unrealised gains on FVOCI instruments	**228,942**	170,624	**228,752**	207,027
Other disclosed reserves	**22,601**	3,493	**36,770**	17,241
	11,624,493	11,128,149	**10,105,152**	9,838,816
Less: Regulatory adjustments:				
- Goodwill and other intangibles	**(730,918)**	(762,096)	**(285,233)**	(314,681)
- Deferred tax assets	**(88,595)**	(114,938)	**(27,914)**	(43,840)
- 55% of cumulative unrealised gains on FVOCI instruments	**(125,918)**	(93,843)	**(125,814)**	(113,865)
- Investment in subsidiaries, joint ventures and associates	**(853,315)**	(830,917)	**(3,982,421)**	(3,981,229)
Total CET 1 Capital	**9,825,747**	9,326,355	**5,683,770**	5,385,201
Additional Tier 1 Capital				
Additional Tier 1 Capital	**1,000,000**	1,000,000	**500,000**	500,000
Total Tier 1 Capital	**10,825,747**	10,326,355	**6,183,770**	5,885,201
Tier 2 Capital				
Subordinated MTNs	**1,000,000**	1,000,000	**500,000**	500,000
Expected loss provisions #	**842,485**	713,313	**504,673**	380,792
Total Tier 2 Capital	**1,842,485**	1,713,313	**1,004,673**	880,792
Total Capital	**12,668,232**	12,039,668	**7,188,443**	6,765,993
b) The breakdown of risk-weighted assets:				
Credit risk	**67,398,770**	63,843,561	**40,373,856**	40,161,190
Market risk	**2,335,619**	2,839,765	**1,615,760**	2,005,594
Operational risk	**3,561,845**	3,877,820	**1,957,359**	2,175,932
Total risk-weighted assets	**73,296,234**	70,561,146	**43,946,975**	44,342,716
c) Capital adequacy ratios:				
Before effect of proposed dividends				
CET 1 capital ratio	**13.406%**	13.217%	**12.933%**	12.145%
Tier 1 capital ratio	**14.770%**	14.635%	**14.071%**	13.272%
Total capital ratio	**17.284%**	17.063%	**16.357%**	15.258%
After effect of proposed dividends				
CET 1 capital ratio Note 1	**13.338%**	13.217%	**12.821%**	12.145%
Tier 1 capital ratio Note 1	**14.703%**	14.635%	**13.959%**	13.272%
Total capital ratio Note 1	**17.216%**	17.063%	**16.245%**	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.)

Note 1:

Under the Dividend Reinvestment Plan ('DRP'), the amount of declared dividend to be deducted in the calculation of CET 1 Capital Ratio is determined in accordance with BNM's Implementation Guidance on Capital Adequacy Framework (Capital Components) (Implementation Guidance) issued on 9 December 2020.

Under the said Implementation Guidance, where a portion of the dividend may be reinvested under a DRP (the electable portion), the amount of the declared dividend to be deducted in the calculation of CET 1 Capital Ratio may be reduced as follows:

(i) where an irrevocable written undertaking from shareholder has been obtained to reinvest the electable portion of the dividend; or

(ii) where there is no irrevocable written undertaking provided, the average of the preceding 3-year take-up rates or if less than 3 preceding years, the available average historical take-up rates, subject to the amount being not more than 50% of the total electable portion of the dividend.

In arriving at the capital adequacy ratios, the portion of the proposed dividends where no irrevocable written undertaking from shareholders to reinvest the electable portion into new ordinary shares of the Bank is obtained, is assumed to be paid in cash and has been deducted from the calculation of CET 1 Capital Ratio.

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 31 December 2025, RIA assets included in the Total Capital Ratio calculation amounted to RM2,553,344,000 (2024: RM3,259,649,000).

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

	Economic Entity		**The Bank**	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
CET 1 capital ratio	**11.347%**	11.732%	**11.347%**	11.732%
Tier 1 capital ratio	**13.194%**	13.801%	**13.194%**	13.801%
Total capital ratio	**16.227%**	17.046%	**16.227%**	17.046%

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

	The Group		**The Bank**	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
CET 1 capital ratio	**37.573%**	35.273%	**37.573%**	36.701%
Tier 1 capital ratio	**37.573%**	35.273%	**37.573%**	36.701%
Total capital ratio	**38.379%**	35.944%	**38.379%**	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.

The Group	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
31 December 2025				
Financial Assets				
Financial assets at FVTPL:				
- Money market instruments	**-**	**1,786,336**	**-**	**1,786,336**
- Commercial Papers and Corporate Bonds/Sukuk	**-**	**319,186**	**-**	**319,186**
- Shares and unit trusts	**81,666**	**-**	**143,094**	**224,760**
	81,666	**2,105,522**	**143,094**	**2,330,282**
Derivative financial instruments	**-**	**304,202**	**-**	**304,202**
Financial investments at FVOCI:				
- Money market instruments	**-**	**5,481,691**	**-**	**5,481,691**
- Shares	**-**	**-**	**297,972**	**297,972**
- Commercial Papers and Corporate Bonds/Sukuk	**-**	**9,530,674**	**-**	**9,530,674**
	-	**15,012,365**	**297,972**	**15,310,337**
	81,666	**17,422,089**	**441,066**	**17,944,821**
Financial Liabilities				
Derivative financial instruments	**-**	**628,290**	**-**	**628,290**
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.)

The Bank	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
31 December 2025				
Financial Assets				
Financial assets at FVTPL:				
- Money market instruments	**-**	**2,823,226**	**-**	**2,823,226**
- Commercial Papers and Corporate Bonds/Sukuk	**-**	**43,896**	**-**	**43,896**
- Unquoted shares	**-**	**-**	**143,094**	**143,094**
	-	**2,867,122**	**143,094**	**3,010,216**
Derivative financial instruments	**-**	**289,927**	**-**	**289,927**
Financial investments at FVOCI:				
- Money market instruments	**-**	**2,520,139**	**-**	**2,520,139**
- Unquoted shares	**-**	**-**	**270,512**	**270,512**
- Commercial Papers and Corporate Bonds/Sukuk	**-**	**5,838,171**	**-**	**5,838,171**
	-	**8,358,310**	**270,512**	**8,628,822**
	-	**11,515,359**	**413,606**	**11,928,965**
Financial Liabilities				
Derivative financial instruments	**-**	**593,680**	**-**	**593,680**
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 equites 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 year ended:

	The Group		**The Bank**	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
	RM'000	RM'000	**RM'000**	RM'000
At beginning of the financial year	**404,242**	361,242	**378,048**	336,477
Total gains recognised in other comprehensive income	**30,721**	21,611	**29,455**	20,182
Total gains recognised in FVTPL	**6,103**	21,389	**6,103**	21,389
At end of the financial year	**441,066**	404,242	**413,606**	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.

A33. CREDIT EXPOSURES ARISING FROM CREDIT TRANSACTIONS WITH CONNECTED PARTIES

The following credit exposures are based on BNM's revised Guidelines on Credit Transaction and Exposures with Connected Parties, which are effective 1 January 2008.

	The Group		**The Bank**	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
(i) The aggregate value of outstanding credit exposures with connected parties (RM'000)	**4,167,642**	5,387,892	**2,095,730**	3,502,766
(ii) The percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	**3%**	5%	**3%**	6%
(iii) The percentage of outstanding credit exposures with connected parties which is impaired or in default	Nil	*	Nil	Nil

* denotes less than 1%

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

A34. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD

(i) Unaudited Statements of Financial Position

	Economic Entity	
	31/12/2025	31/12/2024
	RM'000	RM'000
ASSETS		
Cash and short-term funds	**3,410,559**	2,442,382
Financial assets at fair value through profit or loss ('FVPTL')	**737,490**	451,582
Derivative financial instruments	**44,242**	25,387
Financial investments at fair value through other comprehensive income ('FVOCI')	**3,035,789**	3,940,222
Financial investments at amortised cost ('AC')	**4,249,910**	4,594,961
Financing and other financing	**38,228,706**	33,009,886
Other assets	**170,483**	174,366
Amount due from joint ventures	**-**	4,639
Tax recoverable	**3,088**	9,042
Deferred tax assets	**25,158**	39,640
Statutory deposits with Bank Negara Malaysia	**300,000**	539,000
Property and equipment	**1,582**	1,090
Right-of-use assets	**38**	133
Intangible assets	**952**	1,004
TOTAL ASSETS	**50,207,997**	45,233,334
LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS		
Deposits from customers	**32,390,498**	28,762,862
Investment accounts of customers	**1,164,406**	757,600
Deposits and placements of banks and other financial institutions	**4,079,225**	4,164,774
Investment accounts due to designated financial institutions	**2,559,509**	3,262,300
Derivative financial instruments	**37,163**	21,357
Recourse obligation on financing sold to Cagamas Berhad	**2,925,862**	2,125,431
Other liabilities	**1,007,563**	256,624
Amount due to holding company	**142,304**	546,064
Obligation on securities sold under repurchase agreements	**23**	-
Lease liabilities	**63**	162
Subordinated and Senior Sukuk	**2,582,817**	2,368,791
TOTAL LIABILITIES	**46,889,433**	42,265,965
ISLAMIC BANKING CAPITAL FUNDS		
Share capital	**1,310,000**	1,310,000
Reserves	**2,008,564**	1,657,369
Total Islamic Banking Capital Funds	**3,318,564**	2,967,369
TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS	**50,207,997**	45,233,334
COMMITMENTS AND CONTINGENCIES	**15,955,534**	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

A34. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD (Cont.)

(ii) Unaudited Income Statements

	Economic Entity			
	Individual Quarter Ended		**Cumulative Quarter Ended**	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
	RM'000	RM'000	**RM'000**	RM'000
Income derived from investment of depositors' funds and others	**500,327**	461,165	**1,967,445**	1,693,968
Income derived from investment of investment accounts	**41,947**	47,689	**170,962**	189,534
Income derived from investment of shareholders' funds	**48,837**	41,362	**184,432**	156,686
Write-back of/(allowance for) impairment losses on financing and other financing	**30,202**	23,814	**27,376**	(7,199)
Allowance for impairment losses on other assets	**(659)**	-	**(7,143)**	(6,948)
Total distributable income	**620,654**	574,030	**2,343,072**	2,026,041
Income attributable to the depositors and others	**(333,270)**	(313,401)	**(1,318,560)**	(1,171,114)
Income attributable to the investment accounts holders	**(30,880)**	(41,463)	**(144,479)**	(170,090)
Total net income	**256,504**	219,166	**880,033**	684,837
Other operating expenses	**(119,059)**	(96,490)	**(425,346)**	(356,120)
Profit before zakat and taxation	**137,445**	122,676	**454,687**	328,717
Zakat	**(2,475)**	(2,014)	**(4,950)**	(5,370)
Profit before taxation	**134,970**	120,662	**449,737**	323,347
Taxation	**(34,746)**	(34,119)	**(114,087)**	(87,305)
Net profit for the financial year	**100,224**	86,543	**335,650**	236,042

(iii) Unaudited Statements of Comprehensive Income

	Economic Entity			
	Individual Quarter Ended		**Cumulative Quarter Ended**	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
	RM'000	RM'000	**RM'000**	RM'000
Net profit for the financial year	**100,224**	86,543	**335,650**	236,042
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
- Net fair value change in financial investments at FVOCI	**(3,268)**	(35,366)	**73,262**	(11,347)
- Net credit impairment (loss)/gain change in financial investments at FVOCI	**(182)**	36	**173**	387
- Net loss on financial investments measured at FVOCI reclassified to profit or loss on disposal (debt instruments)	**(8,517)**	(1,916)	**(53,657)**	(6,627)
- Deferred tax on financial investments at FVOCI	**3,034**	10,491	**(5,425)**	4,672
Other comprehensive (loss)/income for the financial year, net of tax	**(8,933)**	(26,755)	**14,353**	(12,915)
Total comprehensive income for the financial year	**91,291**	59,788	**350,003**	223,127

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

A34. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD (Cont.)

(iv) Unaudited Condensed Statement of Changes in Equity

	Attributable to Equity Holder of the Bank					
		Non-distributable			Distributable	
Economic Entity	**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	**1,310,000**	**(1,463)**	**92,468**	**1,001**	**1,565,363**	**2,967,369**
Net profit for the financial year	**-**	**-**	**-**	**-**	**335,650**	**335,650**
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	**-**	**14,353**	**-**	**-**	**-**	**14,353**
Total comprehensive income for the financial year	**-**	**14,353**	**-**	**-**	**335,650**	**350,003**
Share grant scheme granted	**-**	**-**	**-**	**1,192**	**-**	**1,192**
Transfer to regulatory reserves	**-**	**-**	**120,300**	**-**	**(120,300)**	**-**
At 31 December 2025	**1,310,000**	**12,890**	**212,768**	**2,193**	**1,780,713**	**3,318,564**

	Attributable to Equity Holder of the Bank					
		Non-distributable			Distributable	
Economic Entity	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	1,210,000	11,452	46,469	214	1,375,320	2,643,455
Net profit for the financial year	-	-	-	-	236,042	236,042
Other comprehensive income (net of tax):						
- Financial investments at FVOCI	-	(12,915)	-	-	-	(12,915)
Total comprehensive income for the financial year	-	(12,915)	-	-	236,042	223,127
Issued during the financial year	100,000	-	-	-	-	100,000
Share grant scheme granted	-	-	-	787	-	787
Transfer to regulatory reserves	-	-	45,999	-	(45,999)	-
At 31 December 2024	1,310,000	(1,463)	92,468	1,001	1,565,363	2,967,369

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

A34. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD (Cont.)

		Economic Entity	
(v)	**Financing and other financing**	**31/12/2025**	31/12/2024
	By type	**RM'000**	RM'000
	Cash Line-i	**1,093,889**	856,320
	Term financing:		
	- Housing financing	**10,470,106**	10,342,543
	- Hire purchase receivables	**9,383,159**	7,882,486
	- Syndicated financing	**2,041,528**	1,151,080
	- Others term financing	**12,399,130**	10,405,745
	Bills receivables	**426,186**	136,133
	Trust receipts	**25,850**	22,354
	Claims on customers under acceptance credits	**1,568,054**	1,239,055
	Staff financing	**148,194**	140,107
	Credit/charge cards receivables	**134,661**	94,064
	Revolving financing	**832,350**	1,135,577
	Gross financing and other financing	**38,523,107**	33,405,464
	Less: ECL	**(294,401)**	(395,578)
	Total net financing and other financing	**38,228,706**	33,009,886

(vi)	**Movements of impaired financing**		
	At beginning of the financial year	**305,850**	220,978
	Classified as impaired	**424,159**	474,586
	Reclassified as non-impaired	**(268,800)**	(239,033)
	Amount recovered	**(42,199)**	(81,586)
	Amount written-off	**(106,569)**	(69,095)
	At end of the financial year	**312,441**	305,850
	Ratio of gross impaired financing and other financing to gross financing and other financing (exclude RIA)*	**0.84%**	0.98%

(*) For the Bank, RIA amounted to RM2,553,344,000 (2024: RM3,259,649,000) with impaired financing amounted 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 year for the Bank is RM106,569,000 (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

A34. OPERATIONS OF ISLAMIC BANKING - AFFIN ISLAMIC BANK BERHAD (Cont.)

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

Economic Entity **31/12/2025**	**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 year	**64,380**	**216,903**	**114,295**	**395,578**
Total transfer between stages due to change in credit risk:	**(933,042)**	**975,861**	**(42,819)**	**-**
- Transfer to 12-month ECL (Stage 1)	**50,130**	**(40,567)**	**(9,563)**	**-**
- Transfer to Lifetime ECL not credit impaired (Stage 2)	**(983,143)**	**1,036,868**	**(53,725)**	**-**
- Transfer to Lifetime ECL credit impaired (Stage 3)	**(29)**	**(20,440)**	**20,469**	**-**
Financing derecognised (other than write-off)	**#REF!**	**#REF!**	**(4,192)**	**#REF!**
New financing originated or purchased	**1,007,333**	**#REF!**	**#REF!**	**#REF!**
Changes due to change in credit risk	**(57,852)**	**13,535**	**90,332**	**46,015**
Write-off	**#REF!**	**#REF!**	**(65,464)**	**#REF!**
Other adjustments	**(41)**	**(4)**	**5,146**	**5,101**
At end of the financial year	**#REF!**	**#REF!**	**#REF!**	**#REF!**
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	
	31/12/2025 **RM'000**	31/12/2024 RM'000
Qard		
Demand deposits	**7,539,973**	6,879,112
Savings deposits	**738,665**	786,248
	8,278,638	7,665,360
Mudarabah		
General investment deposits	**27,306**	27,660
Tawarruq		
Murabahah term deposits	**22,099,127**	17,947,587
Commodity Murabahah	**856,351**	576,349
Savings deposits	**340,675**	1,373,544
Demand deposit	**788,401**	1,172,362
	24,084,554	21,069,842
Total deposits from customers	**32,390,498**	28,762,862

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

A35. LIQUIDITY RISK

Liquidity risk for assets and liabilities based on remaining contractual maturities

The maturities of on-balance sheet assets and liabilities as well as other off-balance sheet assets and liabilities, commitments and counter-guarantees are important factors in assessing the liquidity of the Group and the Bank.

The table below provides analysis of assets and liabilities into relevant maturity tenures based on remaining contractual maturities:

Group	Up to 1 month RM'000	> 1-3 months RM'000	> 3-12 months RM'000	> 1-5 years RM'000	Over 5 years RM'000	No specific maturity RM'000	Total RM'000
As at 31 December 2025							
Assets							
Cash and short-term funds	6,155,814	-	-	-	-	-	6,155,814
Deposits and placements with banks and other financial institutions	-	250,245	-	-	-	-	250,245
Reverse repurchase agreements with financial institutions	65,812	-	-	-	-	-	65,812
Financial assets at FVTPL	89,912	625,086	505,716	191,083	693,725	224,760	2,330,282
Derivative financial instruments	118,534	81,048	30,499	73,944	177	-	304,202
Financial investments at FVOCI	30,783	436,888	948,407	6,418,260	7,223,382	252,617	15,310,337
Financial investments at AC	5,117	243,332	2,110,335	10,047,483	2,755,412	8,517	15,170,196
Loans, advances and financing	5,165,812	3,317,964	1,986,982	11,073,950	57,001,030	-	78,545,738
Amount due from clients and brokers	803,128	-	-	-	-	-	803,128
Other assets	483,323	3,392	106,943	14,314	4,076	4,550	616,598
Statutory deposits with BNM	804,510	-	-	-	-	-	804,510
Other non-financial assets [1]	18,263	154	93,719	63,010	-	3,541,733	3,716,879
Total assets	13,741,008	4,958,109	5,782,601	27,882,044	67,677,802	4,032,177	124,073,741
Liabilities							
Deposits from customers	30,502,163	17,081,904	31,351,730	64,188	-	-	78,999,985
Investment accounts of customers	88,727	147,026	928,653	-	-	-	1,164,406
Deposits and placements with banks and other financial institutions	4,823,614	3,018,233	727,017	-	-	-	8,568,864
Obligation on securities sold under repurchase agreements	1,731,663	3,838,159	-	11	12	-	5,569,845
Derivative financial instruments	101,166	198,848	234,775	88,194	5,307	-	628,290
Bills and acceptances payable	57,265	-	-	-	-	-	57,265
Recourse obligation on loans/ financing sold to Cagamas Berhad	-	321,745	2,022,854	5,360,485	-	-	7,705,084
Amount due to clients and brokers	657,156	-	-	-	-	-	657,156
Lease liabilities	1,148	928	8,287	54,128	-	-	64,491
Other liabilities	385,233	597,926	918,286	201,953	20,510	-	2,123,908
Borrowings and Sukuk	10,754	493,025	1,121,101	369,235	4,132,523	-	6,126,638
Other non-financial liabilities [2]	153,116	7,298	28,484	-	-	-	188,898
Total liabilities	38,512,005	25,705,092	37,341,187	6,138,194	4,158,352	-	111,854,830
Net liquidity gap	(24,770,997)	(20,746,983)	(31,558,586)	21,743,850	63,519,450	4,032,177	

[1] Other non-financial assets include tax recoverable, deferred tax assets, investment in associates, property and equipment, investment property, right-of-use assets, intangible assets, prepayments and foreclosed properties.

[2] Other non-financial liabilities include provision for taxation, defined contribution plan and accrued employee benefits.

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

A35. LIQUIDITY RISK (Cont.)

Liquidity risk for assets and liabilities based on remaining contractual maturities (Cont.)

The table below provides analysis of assets and liabilities into relevant maturity tenures based on remaining contractual maturities: (Cont.)

Group	Up to 1 month RM'000	> 1-3 months RM'000	> 3-12 months RM'000	> 1-5 years RM'000	Over 5 years RM'000	No specific maturity RM'000	Total RM'000
As at 31 December 2024							
Assets							
Cash and short-term funds	2,852,881	-	-	-	-	-	2,852,881
Deposits and placements with banks and other financial institutions	-	100,535	201,706	-	-	-	302,241
Financial assets at FVTPL	8,985	103,966	4,950	545,322	614,449	284,665	1,562,337
Derivative financial instruments	138,391	90,831	121,990	93,104	6,054	-	450,370
Financial investments at FVOCI	10,138	738,206	1,242,519	4,308,494	7,405,265	196,835	13,901,457
Financial investments at AC	-	133,335	683,931	10,191,360	4,671,231	9,556	15,689,413
Loans, advances and financing	4,886,187	2,539,541	2,296,150	9,821,818	51,346,311	2,078	70,892,085
Amount due from clients and brokers	513,907	-	-	-	-	-	513,907
Other assets	449,019	2,909	132,061	11,936	3,843	2,658	602,426
Amount due from joint ventures	4,639	-	-	-	-	-	4,639
Statutory deposits with BNM	1,524,530	-	-	-	-	-	1,524,530
Other non-financial assets [1]	84,441	253	58,954	39,729	-	3,362,444	3,545,821
Total assets	10,473,118	3,709,576	4,742,261	25,011,763	64,047,153	3,858,236	111,842,107
Liabilities							
Deposits from customers	32,928,744	14,767,039	25,872,585	175,151	-	-	73,743,519
Investment accounts of customers	375	755,114	2,111	-	-	-	757,600
Deposits and placements with banks and other financial institutions	4,409,249	2,839,618	1,369,518	26	-	-	8,618,411
Obligation on securities sold under repurchase agreements	2,555,636	2,488,118	523,664	-	-	-	5,567,418
Derivative financial instruments	145,933	76,084	41,988	96,383	5,548	-	365,936
Bills and acceptances payable	32,341	-	-	-	-	-	32,341
Recourse obligation on loans/ financing sold to Cagamas Berhad	-	20,204	371,228	4,736,563	-	-	5,127,995
Amount due to clients and brokers	370,282	-	-	-	-	-	370,282
Lease liabilities	2,271	1,996	6,526	54,565	46	-	65,404
Other liabilities	315,409	25,403	1,037,367	226,644	16,794	-	1,621,617
Borrowings and Sukuk	10,890	-	247,571	1,519,772	1,986,647	-	3,764,880
Other non-financial liabilities [2]	161,527	569	41,644	1,670	-	2	205,412
Total liabilities	40,932,657	20,974,145	29,514,202	6,810,774	2,009,035	2	100,240,815
Net liquidity gap	(30,459,539)	(17,264,569)	(24,771,941)	18,200,989	62,038,118	3,858,234	

[1] Other non-financial assets include tax recoverable, deferred tax assets, investment in associates, property and equipment, right-of-use assets, intangible assets, prepayments and foreclosed properties.

[2] Other non-financial liabilities include provision for taxation, defined contribution plan and accrued employee benefits.

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

A35. LIQUIDITY RISK (Cont.)

Liquidity risk for assets and liabilities based on remaining contractual maturities (Cont.)

The table below provides analysis of assets and liabilities into relevant maturity tenures based on remaining contractual maturities: (Cont.)

Bank	Up to 1 month RM'000	> 1-3 months RM'000	> 3-12 months RM'000	> 1-5 years RM'000	Over 5 years RM'000	No specific maturity RM'000	Total RM'000
As at 31 December 2025							
Assets							
Cash and short-term funds	3,432,100	-	-	-	-	-	3,432,100
Deposits and placements with banks and other financial institutions	-	450,460	-	-	-	-	450,460
Reverse repurchase agreements with financial institutions	65,812	-	-	-	-	-	65,812
Investment accounts due from designated financial institutions	335,001	83,570	87,289	776,210	1,267,071	-	2,549,141
Financial assets at FVTPL	250,196	464,019	838,970	670,678	643,259	143,094	3,010,216
Derivative financial instruments	137,186	77,252	14,242	61,070	177	-	289,927
Financial investments at FVOCI	20,535	133,200	492,093	3,711,215	4,001,267	270,512	8,628,822
Financial investments at AC	5,117	157,210	1,938,357	6,153,727	1,647,435	8,517	9,910,363
Loans, advances and financing	1,736,533	1,728,870	1,327,498	6,479,865	26,650,842	-	37,923,608
Other assets	327,113	-	-	8,891	4,049	-	340,053
Amount due from subsidiaries	361,963	-	-	-	-	-	361,963
Statutory deposits with BNM	449,000	-	-	-	-	-	449,000
Other non-financial assets [1]	331	154	93,032	48,501	-	6,126,667	6,268,685
Total assets	7,120,887	3,094,735	4,791,481	17,910,157	34,214,100	6,548,790	73,680,150
Liabilities							
Deposits from customers	15,693,895	9,126,713	17,685,939	52,500	-	-	42,559,047
Deposits and placements of banks and other financial institutions	1,710,116	2,796,003	356,133	-	-	-	4,862,252
Obligation on securities sold under repurchase agreements	1,731,663	3,838,159	-	-	-	-	5,569,822
Derivative financial instruments	139,052	193,071	198,273	57,977	5,307	-	593,680
Bills and acceptances payable	57,265	-	-	-	-	-	57,265
Lease liabilities	753	194	6,662	52,912	-	-	60,521
Recourse obligation on loans sold to Cagamas Berhad	-	5,245	1,512,709	3,261,268	-	-	4,779,222
Other liabilities	-	-	667,948	148,090	13,316	-	829,354
Amount due to subsidiaries	157,546	-	-	-	-	-	157,546
Borrowings and Sukuk	10,754	493,025	7,702	-	3,112,523	-	3,624,004
Other non-financial liabilities [2]	155,722	-	-	-	-	-	155,722
Total liabilities	19,656,766	16,452,410	20,435,366	3,572,747	3,131,146	-	63,248,435
Net liquidity gap	(12,535,879)	(13,357,675)	(15,643,885)	14,337,410	31,082,954	6,548,790	

[1] Other non-financial assets include tax recoverable, deferred tax assets, investment in subsidiaries, investment in associates, property and equipment, investment property, right-of-use assets, intangible assets, prepayments and foreclosed properties.

[2] Other non-financial liabilities include defined contribution plan and accrued employee benefits.

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

A35. LIQUIDITY RISK (Cont.)

Liquidity risk for assets and liabilities based on remaining contractual maturities (Cont.)

The table below provides analysis of assets and liabilities into relevant maturity tenures based on remaining contractual maturities: (Cont.)

Bank	Up to 1 month RM'000	> 1-3 months RM'000	> 3-12 months RM'000	> 1-5 years RM'000	Over 5 years RM'000	No specific maturity RM'000	Total RM'000
As at 31 December 2024							
Assets							
Cash and short-term funds	1,960,558	-	-	-	-	-	1,960,558
Deposits and placements with banks and other financial institutions	-	402,588	201,706	-	-	-	604,294
Reverse repurchase agreements with financial institutions	8,033	-	-	-	-	-	8,033
Investment accounts due from designated financial institutions	314,449	130,526	628,310	818,018	1,356,977	-	3,248,280
Financial assets at FVTPL	50,069	389,682	-	859,995	416,099	136,991	1,852,836
Derivative financial instruments	141,247	80,196	113,615	72,912	4,628	-	412,598
Financial investments at FVOCI	-	230,958	571,668	1,775,536	3,226,788	241,057	6,046,007
Financial investments at AC	-	87,739	447,254	6,880,876	2,612,695	9,556	10,038,120
Loans, advances and financing	1,724,603	1,540,482	1,225,566	6,358,559	24,790,804	-	35,640,014
Other assets	289,408	-	36,865	8,200	3,717	-	338,190
Amount due from subsidiaries	756,357	-	-	-	-	-	756,357
Statutory deposits with BNM	867,000	-	-	-	-	-	867,000
Other non-financial assets [1]	44,798	253	57,833	33,583	-	5,969,208	6,105,675
Total assets	6,156,522	2,862,424	3,282,817	16,807,679	32,411,708	6,356,812	67,877,962
Liabilities							
Deposits from customers	17,219,623	8,750,422	14,974,570	160,203	-	-	41,104,818
Deposits and placements of banks and other financial institutions	2,632,055	2,365,198	186,336	-	-	-	5,183,589
Obligation on securities sold under repurchase agreements	2,176,997	2,488,118	523,664	-	-	-	5,188,779
Derivative financial instruments	154,357	65,124	16,323	76,528	4,279	-	316,611
Bills and acceptances payable	32,341	-	-	-	-	-	32,341
Lease liabilities	1,448	458	4,425	50,874	46	-	57,251
Recourse obligation on loans sold to Cagamas Berhad	-	-	367,020	2,635,544	-	-	3,002,564
Other liabilities	-	-	770,594	198,596	11,709	-	980,899
Amount due to subsidiaries	175,656	-	-	-	-	-	175,656
Borrowings and Sukuk	10,890	4,956	3,736	-	1,486,647	-	1,506,229
Other non-financial liabilities [2]	154,846	-	-	-	-	-	154,846
Total liabilities	22,558,213	13,674,276	16,846,668	3,121,745	1,502,681	-	57,703,583
Net liquidity gap	(16,401,691)	(10,811,852)	(13,563,851)	13,685,934	30,909,027	6,356,812	

[1] Other non-financial assets include tax recoverable, deferred tax assets, investment in subsidiaries, investment in associates, property and equipment, right-of-use assets, intangible assets, prepayments and foreclosed properties.

[2] Other non-financial liabilities include defined contribution plan and accrued employee benefits.

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 31 December 2025 against preceding year's corresponding quarter

	Individual Quarter Ended		Changes		Cumulative Quarter Ended		Changes	
	31/12/2025 RM'000	31/12/2024 RM'000	RM'000	%	**31/12/2025 RM'000**	31/12/2024 RM'000	RM'000	%
Net Income	**693,301**	557,671	135,630	24.3	**2,441,507**	2,169,747	271,760	12.5
Operating Profit	**214,129**	174,023	40,106	23.0	**708,315**	653,007	55,308	8.5
Profit Before Zakat and Tax	**218,129**	208,361	9,768	4.7	**760,695**	707,736	52,959	7.5
Profit Before Tax	**215,654**	206,347	9,307	4.5	**755,745**	701,029	54,716	7.8
Profit After Tax	**127,633**	135,096	(7,463)	(5.5)	**540,193**	509,703	30,490	6.0

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 RM755.7 million for the financial year ended 31 December 2025, representing an increase of RM54.7 million or 7.8% compared to RM701.0 million recorded in the previous financial year. The increase in PBT was primarily attributed to a higher net income by RM271.8 million, partially offset by a higher operating expense by RM33.9 million and an allowance for impairment losses of RM31.2 million, compared to a write-back of impairment losses of RM151.4 million in the previous financial year.

Gross loans and financing marked a year-on-year growth of 10.4%, achieving a value of RM79.5 billion, as compared to RM72.0 billion as of 31 December 2024. Customer deposits increased by 7.1% to RM79.0 billion, while the Current Account and Savings Account ('CASA') ratio dropped to 25.3% as of 31 December 2025, as compared to 30.4% as of 31 December 2024.

As of the end of the financial year on 31 December 2025, the CET 1 Capital Ratio, Tier 1 Capital Ratio and Total Capital Ratio stood at 13.4%, 14.8% and 17.3%, respectively.

Commercial Banking

ABB recorded a PBT of RM289.6 million for the financial year ended 31 December 2025. This represented a decrease of RM29.8 million as compared to a PBT of RM319.4 million in the previous financial year. The decrease in PBT was mainly due to an allowance for impairment losses of RM50.7 million, compared to a higher write-back of impairment losses of RM104.9 million recorded in the previous financial year, which was partially offset by a higher net income of RM114.7 million and lower operating expenses of RM11.0 million.

For the financial year ended 31 December 2025, AIBB's PBT rose 39.1% to RM449.7 million from RM323.3 million a year earlier. The increase was mainly attributable to a higher net financing income by RM160.8 million and a higher write-back of impairment losses by RM34.4 million, partly offset by a higher operating expense by RM69.2 million.

Investment Banking

For the financial year ended 31 December 2025, AHIBB Group recorded a lower PBT of RM103.2 million, a decrease of 31.5% over the PBT of RM150.6 million recorded in the previous financial year. The decrease in PBT is primarily driven by a higher operating expense and an allowance for impairment losses of RM0.8 million, compared to a higher write-back of impairment losses of RM52.1 million recorded in the previous financial year, which was offset by a higher foreign exchange gain by RM30.6 million.

Insurance

For the financial year ended 31 December 2025, the Group's insurance division reported a share of profit amounting to RM52.4 million, representing an decrease of RM2.3 million as compared to the previous financial year. The decrease was mainly due to lower underwriting results.

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

For the current quarter ended 31 December 2025, the Group recorded a PBT of RM215.7 million, an increase of RM9.3 million from the PBT of RM206.3 million recorded in the same quarter of the preceding year.

The increase in PBT was primarily attributed to a higher net income by RM135.6 million, which was offset by a higher allowance for impairment losses by RM98.3 million and a lower share of results of associates by RM30.3 million.

Commercial Banking

ABB recorded a PBT of RM43.6 million for the quarter ended 31 December 2025, a decrease of RM62.4 million, as compared to the PBT of RM106.0 million in the same quarter of the preceding year. The decrease in PBT was mainly due to a higher operating expense by RM7.3 million and an allowance for impairment losses of RM45.8 million, as compared to a RM57.5 million write-back of impairment losses recorded in the same quarter of the preceding year.

AIBB's PBT for the current quarter was RM135.0 million, which was RM14.3 million higher from a PBT of RM120.7 million last year. This was due to a RM31.6 million increase in net financing income and lower impairment losses of RM5.7 million, which was partially offset by RM22.7 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 RM41.3 million for the quarter ended 31 December 2025, an increase by RM14.1 million from the PBT of RM27.2 million reported in the same quarter in the preceding year. The decrease was primarily attributed to a decrease in operating expenses by RM17.5 mil, partially offset by an decrease in net income by RM2.3 million and an increase in allowance for impairment losses by RM1.1 million.

Insurance

The Group's share of profit after tax for its insurance segment decreased by RM30.3 million to RM4.0 million in the current quarter, as compared to RM34.4 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	
	31/12/2025	30/9/2025		
	RM'000	RM'000	RM'000	%
Net income	**693,301**	587,975	105,326	17.9
Operating Profit	**214,129**	182,599	31,530	17.3
Profit Before Zakat and Tax	**218,129**	184,599	33,530	18.2
Profit Before Tax	**215,654**	182,124	33,530	18.4
Profit After Tax	**127,633**	144,986	(17,353)	(12.0)

For the current financial quarter, the Group's PBT reported at RM215.7 million, an increase of RM33.5 million or 18.4% compared to Group's PBT of RM182.1 million recorded in the immediate preceding quarter ended 30 September 2025. The higher PBT was mainly due to a higher net income of RM105.3 million. The increase in net income was offset by a higher allowance for impairment losses of RM51.2 million and a higher operating expense of RM22.6 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 2026

The global economic outlook for 2026 is expected to be stable but measured, with growth of around 3% and easing inflation supporting activity, while geopolitical risk and uneven regional conditions remain key considerations for banks. Malaysia's macroeconomic outlook for 2026 is projected to remain positive, with analysts and financial institutions broadly forecasting real Gross Domestic Product ('GDP') growth in the range of approximately 4.0% to 4.5%, underpinned by resilient domestic demand, sustained investment activity and strengthening external trade flows. Inflation is expected to remain contained, supporting a stable monetary policy stance, with BNM's Overnight Policy Rate ('OPR') anticipated to be maintained at 2.75% for 2026 to balance growth and price stability. Against this backdrop, the Malaysian banking sector is expected to deliver steady credit expansion, supported by favourable loan and financing demand across business and household segments, modest net interest margin improvement and resilient non-interest income contributions. AFFIN Group fundamentals remain strong, with capital and liquidity buffers at healthy levels, supported by resilient asset quality as Gross Impaired Loans ('GIL') stand at 1.64% and Loan Loss Coverage ('LLC') at 75.70%, positioning the financial institution to navigate both domestic challenges and external headwinds.

AFFIN Group is confident in sustaining its growth momentum, underpinned by healthy business pipelines and emerging revenue streams from the recent acquisition of an asset management business and new product launches within its wealth franchise. The Group and the Bank continue to reinforce the sustainability of the Bank's franchise through disciplined asset quality management, prudent capital optimisation and the maintenance of strong liquidity buffers. These measures support the Group's ability to pursue sustainable long-term growth while continuing to deliver value to shareholders.

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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Group	**RM'000**	RM'000	**RM'000**	RM'000
Malaysian income tax				
Current tax expense	**65,967**	30,057	**179,601**	157,349
Under/(over) provision in prior financial year	**1**	3,200	**(16,054)**	7,273
Deferred tax expense:				
- Relating to originating and reversal of temporary differences	**22,053**	37,994	**52,005**	26,704
	88,021	71,251	**215,552**	191,326

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

	Individual Quarter Ended		Cumulative Quarter Ended	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
The Bank	**RM'000**	RM'000	**RM'000**	RM'000
Malaysian income tax				
Current tax expense	**19,940**	1,948	**36,627**	25,998
Under/(over) provision in prior financial year	**1**	-	**(14,091)**	6,150
Deferred tax expense:				
- Relating to originating and reversal of temporary differences	**20,781**	28,462	**50,997**	34,372
	40,722	30,410	**73,533**	66,520

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

For 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.

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

B6. STATUS OF CORPORATE PROPOSALS

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

B7. DEPOSITS, LEASE LIABILITIES AND BORROWINGS

	The Group		The Bank	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
(i) Deposits from Customers	**RM'000**	RM'000	**RM'000**	RM'000
By Types of Deposit:				
Demand Deposits	**16,620,765**	16,251,930	**8,323,691**	8,214,689
Savings Deposits	**3,389,251**	6,131,696	**2,309,911**	3,971,904
Fixed Deposits	**55,995,999**	49,863,800	**30,828,329**	28,032,644
Commodity Murabahah Deposits	**856,351**	576,349	**-**	-
Money Market Deposits	**187,033**	225,506	**187,033**	225,506
Negotiable Instruments of Deposits ('NID')	**1,924,869**	660,075	**910,083**	660,075
Others	**25,717**	34,163	**-**	-
	78,999,985	73,743,519	**42,559,047**	41,104,818
By Maturity structure of fixed deposits, NID and others:				
Due within six months	**40,409,433**	35,843,215	**20,762,930**	20,073,937
Six months to one year	**17,472,964**	14,539,671	**10,922,982**	8,458,579
One year to three years	**62,988**	172,748	**51,320**	158,113
Three years to five years	**1,200**	2,404	**1,180**	2,090
	57,946,585	50,558,038	**31,738,412**	28,692,719
By Types of Customer:				
Government and statutory bodies	**16,367,071**	14,465,811	**5,454,100**	5,272,370
Business enterprises	**20,212,813**	17,972,061	**8,742,316**	8,298,197
Individuals	**32,801,445**	34,038,820	**23,395,855**	24,475,521
Domestic Banking institutions	**2,096,354**	829,164	**1,108,451**	839,178
Domestic non-Banking financial institutions	**5,227,695**	4,427,691	**2,123,861**	829,242
Foreign entities	**1,146,791**	879,551	**929,917**	615,290
Others	**1,147,816**	1,130,421	**804,547**	775,020
	78,999,985	73,743,519	**42,559,047**	41,104,818
(ii) Deposits and Placement of Banks and Other Financial Institutions				
By Types of Institution:				
Licensed banks	**2,938,392**	2,953,794	**2,989,854**	3,339,215
Licensed investment banks	**572,892**	194,972	**122,453**	44,960
Other financial institutions	**5,057,580**	5,469,645	**1,749,945**	1,799,414
	8,568,864	8,618,411	**4,862,252**	5,183,589
By Maturity structure of deposits:				
Due within six months	**7,537,388**	7,419,943	**4,862,252**	5,092,622
Six months to one year	**629,374**	644,047	**-**	90,967
One year to three years	**402,102**	554,421	**-**	-
	8,568,864	8,618,411	**4,862,252**	5,183,589
(iii) Lease Liabilities				
At beginning of financial year	**65,404**	45,721	**57,251**	38,278
Additions	**34,289**	50,512	**34,263**	45,898
Interest/Profit expense	**2,475**	2,258	**2,255**	1,922
Lease payments	**(37,677)**	(33,087)	**(33,248)**	(28,847)
At end of the financial year	**64,491**	65,404	**60,521**	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	
	31/12/2025	31/12/2024	**31/12/2025**	31/12/2024
(iv) Borrowings and Sukuk	**RM'000**	RM'000	**RM'000**	RM'000
(a) Tier-2 Subordinated Medium Term Notes ('MTN')	**510,753**	510,890	**510,753**	510,890
(b) Additional Tier-1 Capital Securities ('AT1CS')	**500,703**	500,703	**500,703**	500,703
(c) Additional Tier-1 Sukuk Wakalah ('AT1S')	**505,808**	505,808	**-**	-
(d) MTN Tier-2 Sukuk Murabahah	**505,178**	470,099	**-**	-
(e) Senior Sukuk/MTN	**2,767,482**	1,790,732	**1,725,252**	503,032
(f) Commercial Paper ('CP')	**942,443**	-	**493,025**	4,956
(g) Term Loan ('TL')	**406,148**	-	**406,148**	-
	6,138,515	3,778,232	**3,635,881**	1,519,581
Fair value changes arising from fair value hedges	**(11,877)**	(13,352)	**(11,877)**	(13,352)
	6,126,638	3,764,880	**3,624,004**	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% p.a. 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% p.a. 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% p.a. 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% p.a. 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% p.a. and RM520.0 million for a tenure of 5 years from the issue date, at a profit rate of 4.75% p.a. The Senior Sukuk was issued for the purpose of general banking business and working capital requirements of AIBB. The RM230.0million Sukuk was fully redeemed on 16 December 2025.

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% p.a. 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% p.a. 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% p.a. 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% p.a. 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% p.a. 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.

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')

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% p.a. The CP was issued for the purpose of general banking business and working capital requirements of ABB. All the CP were fully redeemed on 28 November 2025.

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% p.a. The CP and ICP were issued for the purpose of general banking business and working capital requirements of ABB and AIBB.

ABB and AIBB had on 28 November 2025, issued CP of RM160.0 million and ICP of RM340.0 million respectively, both for a tenure of 6 months from the issue date, at a discount/profit rate of 3.40% p.a. The CP and ICP were issued for the purpose of general banking business and working capital requirements of ABB and AIBB.

On 5 December 2025, ABB had issued CP of RM300.0 million for a tenure of 1 year from the issue date, at a discount rate of 3.39% p.a. The CP was issued for the purpose of general banking business and working capital requirements of ABB.

(g) Term Loan ('TL')

The USD term loan of ABB bear interest at rates of 4.22% (2024: nil) p.a. for the purpose of general banking business and working capital requirements.

B8. MATERIAL LITIGATION

There is no material litigation during the financial year ended 31 December 2025.

B9. DIVIDENDS

On 29 January 2026, the Board of Directors proposed a single-tier final dividend of 8.53 sen per share amounting to RM216,136,158 in respect of the financial year ended 31 December 2025, based on the Bank's issued share capital of 2,533,835,382 ordinary shares at 31 December 2025.

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 year.

	Individual Quarter Ended		Cumulative Quarter Ended	
The Group	**31/12/2025**	31/12/2024	**31/12/2025**	31/12/2024
Net profit attributable to the equity holders of the Bank (RM'000)	**127,633**	135,096	**540,193**	509,703
Weighted average number of ordinary shares in issue ('000)	**2,533,835**	2,400,487	**2,533,835**	2,376,438
Adjustment for bonus issue ('000) [1]	**-**	133,348	**-**	133,348
Adjusted weighted average number of ordinary shares in issue ('000)	**2,533,835**	2,533,835	**2,533,835**	2,509,786
Basic earnings per share (sen)				
- Before issuance of bonus shares	**5.04**	5.63	**21.32**	21.45
- After issuance of bonus shares [1]	**5.04**	5.33	**21.32**	20.31

	Individual Quarter Ended		Cumulative Quarter Ended	
The Bank	**31/12/2025**	31/12/2024	**31/12/2025**	31/12/2024
Net profit attributable to the equity holders of the Bank (RM'000)	**2,896**	75,556	**216,082**	252,926
Weighted average number of ordinary shares in issue ('000)	**2,533,835**	2,400,487	**2,533,835**	2,376,438
Adjustment for bonus issue ('000) [1]	**-**	133,348	**-**	133,348
Weighted average number of ordinary shares in issue ('000)	**2,533,835**	2,533,835	**2,533,835**	2,509,786
Basic earnings per share (sen)				
- Before issuance of bonus shares	**0.11**	3.15	**8.53**	10.64
- After issuance of bonus shares [1]	**0.11**	2.98	**8.53**	10.08

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 year ended 31 December 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 year and the weighted average number of ordinary shares that would be issued on conversion of dilutive potential ordinary shares.

	Individual Quarter Ended		Cumulative Quarter Ended	
The Group	**31/12/2025**	31/12/2024	**31/12/2025**	31/12/2024
Net profit attributable to equity holders of the Bank (RM'000)	**127,633**	135,096	**540,193**	509,703
Weighted average number of ordinary shares in issue ('000)				
- during the period	**2,533,835**	2,400,487	**2,533,835**	2,376,438
- effect of dilutive of potential ordinary shares [2]	**35,249**	26,037	**35,249**	26,037
Adjustment for bonus issue ('000) [1]	**-**	133,348	**-**	133,348
Weighted average number of potential ordinary shares ('000)	**2,569,084**	2,559,872	**2,569,084**	2,535,823
Diluted earnings per share (sen)				
- Before issuance of bonus shares	**4.97**	5.57	**21.03**	21.22
- After issuance of bonus shares [1]	**4.97**	5.28	**21.03**	20.10

	Individual Quarter Ended		Cumulative Quarter Ended	
The Bank	**31/12/2025**	31/12/2024	**31/12/2025**	31/12/2024
Net profit attributable to equity holders of the Bank (RM'000)	**2,896**	75,556	**216,082**	252,926
Weighted average number of ordinary shares in issue ('000)				
- during the period	**2,533,835**	2,400,487	**2,533,835**	2,376,438
- effect of dilutive of potential ordinary shares [2]	**27,559**	19,526	**27,559**	19,526
Adjustment for bonus issue ('000) [1]	**-**	133,348	**-**	133,348
Weighted average number of potential ordinary shares	**2,561,394**	2,553,361	**2,561,394**	2,529,312
Diluted earnings per share (sen)				
- Before issuance of bonus shares	**0.11**	3.12	**8.44**	10.56
- After issuance of bonus shares [1]	**0.11**	2.96	**8.44**	10.00

[1] For comparative purpose, the basic and diluted earnings per share for the individual and cumulative quarter ended 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.

[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.