MBSB INVESTMENT BANK BERHAD (197501002077 (23878-X))
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS OF THE GROUP AND OF THE BANK FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

MBSB Investment Bank Berhad 197501002077 (23878-X)
(Incorporated in Malaysia)
Unaudited Condensed Interim Financial Statements

Statement of financial position as at 30 June 2026

	Note	Group		Bank	
		30-Jun-26 RM'000	31-Dec-25 RM'000	30-Jun-26 RM'000	31-Dec-25 RM'000
Assets					
Cash and short-term funds	8	376,247	561,985	365,214	555,118
Financial investments at fair value fair through other comprehensive income ("FVOCI")	9	1,886,782	1,829,921	1,886,782	1,829,921
Financial investments at amortised cost	10	865,292	1,148,333	865,292	1,148,333
Loans, advances and financing	11	1,325,474	1,587,600	1,325,474	1,587,600
Other assets	12	37,747	68,505	48,692	75,304
Tax recoverables		7,559	15,845	7,543	15,837
Statutory deposits with Bank Negara Malaysia		35,662	37,027	35,662	37,027
Investment in subsidiaries		-	-	-*	-*
Property and equipment		6,508	7,522	6,508	7,522
Intangible assets		9,569	10,002	9,569	10,002
Right-of-use asset		-	2,001	-	2,001
Deferred tax assets		-	476	-	476
Total assets		4,550,840	5,269,217	4,550,736	5,269,141
Liabilities					
Deposits from customers	13	2,320,507	2,756,321	2,320,507	2,756,321
Deposits and placements of banks and other financial institutions	14	1,451,599	1,561,519	1,451,599	1,561,519
Other liabilities	15	54,411	143,927	54,414	143,923
Lease liabilities		-	2,064	-	2,064
Provision for taxation and zakat		-	2,855	-	2,838
Deferred tax liabilities		340	-	340	-
Total liabilities		3,826,857	4,466,686	3,826,860	4,466,665
Equity					
Share capital		369,111	369,111	369,111	369,111
Reserves		354,872	433,420	354,765	433,365
Total equity		723,983	802,531	723,876	802,476
Total liabilities and equity		4,550,840	5,269,217	4,550,736	5,269,141
Commitments and contingencies	21	568,443	415,085	568,443	415,085

* Denotes RM4

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

MBSB Investment Bank Berhad 197501002077 (23878-X)
(Incorporated in Malaysia)
Unaudited Condensed Interim Financial Statements

Statement of profit or loss and other comprehensive income
For the financial period ended 30 June 2026

		2nd Quarter Ended		Six Months Ended	
Group	**Note**	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**
Interest income	16	26,064	26,823	52,466	53,589
Interest expense	17	(12,775)	(14,097)	(25,420)	(28,250)
Net interest income		13,289	12,726	27,046	25,339
Net income from Islamic Banking operations	25(m)	17,541	25,497	33,392	47,201
Non-interest income	18	7,301	7,543	12,881	12,803
		38,131	45,766	73,319	85,343
Operating expenses	19	(20,510)	(24,975)	(40,968)	(47,079)
Operating profit before allowances		17,621	20,791	32,351	38,264
Expected credit losses ("ECL") on loans, advances and financing and other impairment	20	304	(703)	927	40
Profit before taxation and zakat		17,925	20,088	33,278	38,304
Taxation		(4,418)	(4,980)	(8,145)	(10,082)
Zakat		372	(184)	372	(481)
Profit for the financial period		13,879	14,924	25,505	27,741
Other comprehensive income/(loss), net of tax:					
Items that may be reclassified to profit or loss:					
Revaluation reserve on financial investments at FVOCI					
- Changes in allowance for ECL on financial investments at FVOCI		406	99	395	224
- Realised gain transferred to statement of income on disposal		(610)	(2,796)	(707)	(3,073)
- Net gain/(loss) from change in fair values		47	7,239	(2,991)	11,014
Other comprehensive (loss)/income, net of tax		(157)	4,542	(3,303)	8,165
Total comprehensive income for the financial period		13,722	19,466	22,202	35,906
Earnings per ordinary share (sen)		8.95	9.63	16.45	17.90

MBSB Investment Bank Berhad 197501002077 (23878-X)
(Incorporated in Malaysia)
Unaudited Condensed Interim Financial Statements

Statement of profit or loss and other comprehensive income
For the financial period ended 30 June 2026

		2nd Quarter Ended		Six Months Ended	
		30-Jun-26	30-Jun-25	30-Jun-26	30-Jun-25
Bank	**Note**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Interest income	16	26,064	26,823	52,466	53,589
Interest expense	17	(12,775)	(14,097)	(25,420)	(28,250)
Net interest income		13,289	12,726	27,046	25,339
Net income from Islamic Banking operations	25(m)	17,541	25,497	33,392	47,201
Non-interest income	18	7,268	7,526	12,830	12,733
		38,098	45,749	73,268	85,273
Operating expenses	19	(20,501)	(24,969)	(40,959)	(47,068)
Operating profit before allowances		17,597	20,780	32,309	38,205
Expected credit losses ("ECL") on loans, advances and financing and other impairment	20	304	(703)	927	40
Profit before taxation and zakat		17,901	20,077	33,236	38,245
Taxation		(4,432)	(4,977)	(8,155)	(10,067)
Zakat		372	(184)	372	(481)
Profit for the financial period		13,841	14,916	25,453	27,697
Other comprehensive income/(loss), net of tax:					
Items that may be reclassified to profit or loss:					
Revaluation reserve on financial investments at FVOCI					
- Changes in allowance for ECL on financial investments at FVOCI		406	99	395	224
- Realised gain transferred to statement of income on disposal		(610)	(2,796)	(707)	(3,073)
- Net gain/(loss) from change in fair values		47	7,239	(2,991)	11,014
Other comprehensive (loss)/income, net of tax		(157)	4,542	(3,303)	8,165
Total comprehensive income for the financial period		13,684	19,458	22,150	35,862

MBSB Investment Bank Berhad 197501002077 (23878-X)
(Incorporated in Malaysia)
Unaudited Condensed Interim Financial Statements

Statements of changes in equity
For the financial period ended 30 June 2026

	<----------Non-distributable ---------->			Distributable	
Group	**Share capital RM'000**	**Regulatory reserve RM'000**	**Fair value reserve RM'000**	**Retained profits RM'000**	**Total RM'000**
At 1 January 2026	369,111	31,443	6,954	395,023	802,531
Profit for the financial period	-	-	-	25,505	25,505
Other comprehensive loss for the financial period	-	-	(3,303)	-	(3,303)
Total comprehensive (loss)/ income for the financial period	-	-	(3,303)	25,505	22,202
Dividend to owner of the Bank [Note 7]	-	-	-	(100,750)	(100,750)
At 30 June 2026	369,111	31,443	3,651	319,778	723,983
At 1 January 2025	369,111	34,761	(1,705)	506,946	909,113
Profit for the financial period				27,741	27,741
Other comprehensive income for the financial period			8,165		8,165
Total comprehensive income for the financial period	-	-	8,165	27,741	35,906
Transfer from regulatory reserve		(2,990)		2,990	-
Dividend to owner of the Bank	-	-	-	(150,000)	(150,000)
At 30 June 2025	369,111	31,771	6,460	387,677	795,019

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

Statements of changes in equity
For the financial period ended 30 June 2026 (cont'd.)

	<----------Non-distributable ---------->			Distributable	
Bank	**Share capital RM'000**	**Regulatory reserve RM'000**	**Fair value reserve RM'000**	**Retained profits RM'000**	**Total RM'000**
At 1 January 2026	369,111	31,443	6,954	394,968	802,476
Profit for the financial period	-	-	-	25,453	25,453
Other comprehensive loss for the financial period	-	-	(3,303)	-	(3,303)
Total comprehensive (loss)/ income for the financial period	-	-	(3,303)	25,453	22,150
Dividend to owner of the Bank [Note 7]	-	-	-	(100,750)	(100,750)
At 30 June 2026	369,111	31,443	3,651	319,671	723,876
At 1 January 2025	369,111	34,761	(1,705)	506,692	908,859
Profit for the financial period	-	-	-	27,697	27,697
Other comprehensive income for the financial period	-	-	8,165	-	8,165
Total comprehensive income for the financial period	-	-	8,165	27,697	35,862
Transfer from regulatory reserve	-	(2,990)	-	2,990	-
Dividend to owner of the Bank	-	-	-	(150,000)	(150,000)
At 30 June 2025	369,111	31,771	6,460	387,379	794,721

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

MBSB Investment Bank Berhad 197501002077 (23878-X)
(Incorporated in Malaysia)
Unaudited Condensed Interim Financial Statements

Statements of Cash Flows
For the financial period ended 30 June 2026

	Note	Group		Bank	
		30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
Profit before taxation and zakat		33,278	38,304	33,236	38,245
Adjustments for non-cash items		1,384	(742)	1,384	(742)
Operating profit before changes in working capital		34,662	37,562	34,620	37,503
Changes in working capital:					
Net changes in operating assets		518,411	47,549	514,263	52,199
Net changes in operating liabilities		(637,380)	(207,453)	(637,356)	(207,437)
Net cash used in operating activities		(84,307)	(122,342)	(88,473)	(117,735)
Cash flows from investing activities:					
Purchase of property and equipment and intangible assets		(618)	(427)	(618)	(427)
Purchase of right-of-use assets		(63)	8	(63)	8
Net cash used in investing activities		(681)	(419)	(681)	(419)
Net cash used in financing activities - Dividend paid		(100,750)	(150,000)	(100,750)	(150,000)
Net decrease in cash and cash equivalents		(185,738)	(272,761)	(189,904)	(268,154)
Cash and cash equivalents at beginning of the financial period		561,985	384,944	555,118	367,402
Cash and cash equivalents at end of the financial period		376,247	112,183	365,214	99,248
Cash and cash equivalents is represented by:					
Cash and short-term funds	8	376,247	112,183	365,214	99,248

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

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2026

1. Basis of preparation

The unaudited condensed interim financial statements for the financial period ended 30 June 2026 have been prepared under historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, financial investments at fair value through other comprehensive income, derivatives financial instruments, non-current assets held for sale and deposits of banks and other financial institutions at fair value through profit or loss.

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"), and Policy Documents on Financial Reporting issued by Bank Negara Malaysia ("BNM").

The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Bank for the financial year ended 31 December 2025. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the financial year ended 31 December 2025.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the year ended 31 December 2025.

The new accounting standards, amendments to published standards and interpretation that have been issued but not yet effective are as follows:

- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'.
- MFRS 121 'Translation to a Hyperinflationary Presentation Currency (Amendments to MFRS121)' (effective 1 January 2027).

The Group and the Bank has not early adopted the above standards and amendments to existing standards and is in the process of assessing the impact of initial application when it becomes effective.

The following amendments are not expected to have a significant impact on the consolidated financial statements of the Group and the Bank:

- MFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Annual Improvements to MFRS Accounting Standards for enhanced consistency

2. Audit Report of Preceding Financial Year Ended 31 December 2025

The audit report on the financial statements of the preceding year was not qualified.

3. Seasonality and cyclicality of operation and unusual Items

The business operations of the Group and the Bank have not been affected by any seasonal, cyclical factors or unusual items during the financial period ended 30 June 2026.

4. Exceptional on unusual items

There were no exceptional or unusual items during the financial period ended 30 June 2026.

5. Changes in estimates

There were no material changes in estimates of amounts reported in prior financial year that have a material effect during the financial period ended 30 June 2026.

6. Changes in debt and equity securities

There were no changes to debt and equity securities during the financial period ended 30 June 2026.

7. Dividend paid

On 12 March 2026, the Bank paid a single-tier interim dividend of 65 sen per ordinary share amounting to RM100,750,000 in respect of the financial year ended 31 December 2025.

During the financial period ended 30 June 2026, the Board of Directors has declared a single-tier interim dividend of 15.00 sen per ordinary share amounting to RM23,250,000 based on 155,000,000 shares issued.

8. Cash and short-term funds

	Group		Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000	30-Jun-26 RM'000	31-Dec-25 RM'000
Cash and balances with banks and other financial institutions	375,247	187,957	364,214	181,090
Money at call and deposit placements maturing within one month	1,000	374,028	1,000	374,028
	376,247	561,985	365,214	555,118

As at reporting date, the dealer's representatives' and clients' monies held in trust by the Group and the Bank amounted to approximately RM23,091,000 and RM12,227,000 respectively (2025: RM17,223,000 and RM10,503,000 respectively). These amounts are excluded from the cash and short-term funds of the Group and of the Bank.

9. Financial investments at FVOCI

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
Money market instruments		
Government investment issues	794,684	704,371
Unquoted securities		
In Malaysia		
Corporate bonds/sukuk	1,091,066	1,124,518
Equity instruments		
Unquoted securities in Malaysia:		
Shares - Malaysian Rating Corporation Berhad	1,032	1,032
	1,886,782	1,829,921

The carrying amount of financial investments measured at FVOCI is its fair value. Accordingly, the recognition of an impairment loss does not affect the carrying amount of those assets, but is reflected as a debit to profit or loss or retained earnings, and credit to other comprehensive income.

Movement of allowance for credit losses recognised in FVOCI reserve:

	Group and Bank		
	Stage 1 RM'000	Stage 2 RM'000	Total RM'000
At 1 January 2026	128	-	128
Total charge during the period	2	393	395
New financial investment purchased during the period	21	-	21
Financial investments derecognised and repayment during the period	(6)	-	(6)
Change in credit risk parameter	(13)	393	380
At 30 June 2026	130	393	523
At 1 January 2025	160	31	191
Total reversal during the year	(32)	(31)	(63)
New financial investment purchased during the year	22	-	22
Financial investments derecognised and repayment during the year	(40)	(5)	(45)
Change in credit risk parameter	(14)	(26)	(40)
At 31 December 2025	128	-	128

There was no Stage 3 exposure as at 30 June 2026 and 31 December 2025.

10. Financial investments at amortised cost

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Money Market Instruments		
In Malaysia		
Government investment issues	232,156	272,817
Debt securities		
In Malaysia		
Corporate bonds/sukuk	633,748	876,170
	865,904	1,148,987
Less: ECL	(612)	(654)
	865,292	1,148,333

ECL movement for financial investments at amortised cost:

	Group and Bank
	Stage 1
	RM'000
At 1 January 2026	654
Total reversal during the period	(42)
Financial investments derecognised and repayment during the period	(6)
Change in credit risk parameter	(36)
At 30 June 2026	612
At 1 January 2025	928
Total reversal during the year	(274)
New financial investment purchased during the year	606
Financial investments derecognised and repayment during the year	(867)
Change in credit risk parameter	(13)
At 31 December 2025	654

11. Loans, advances and financing

(i) By type
At amortised cost

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Term loans/financing		
Syndicated term loans/financing	245,385	254,513
Other term loans/financing	173,485	285,331
	418,870	539,844
Margin accounts	908,757	1,051,259
Staff loans/financing	30	38
Gross loans, advances and financing	1,327,657	1,591,141
Less: ECL allowance	(2,183)	(3,541)
Net loans, advances and financing	1,325,474	1,587,600

(ii) By residual contractual maturity

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Within one year	1,088,088	1,298,550
One year to three years	20	72,191
Three years to five years	120,220	120,234
After five years	119,329	100,166
	1,327,657	1,591,141

(iii) By type of customers

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Domestic other non-bank financial institutions	-	24,548
Domestic business enterprises		
- Large corporations	292,264	320,956
- Small medium enterprises	374,254	460,384
Individuals	661,139	785,253
	1,327,657	1,591,141

11. Loans, advances and financing (cont'd.)

(iv) By sector

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Household	661,139	785,253
Finance, insurance and business services	385,877	501,250
Construction	100,342	100,352
Wholesale, retail trade, restaurants and hotels	88,116	71,157
Mining and quarrying	55,432	55,165
Others	20,874	20,826
Electricity, gas and water supply	10,033	47,557
Manufacturing	5,844	9,581
	1,327,657	1,591,141

(v) By interest/profit rate sensitivity

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Fixed rate		
staff loans	30	38
Margin accounts	908,757	1,051,259
Variable rate		
Bridging, structured and term loans and financing	418,870	539,844
	1,327,657	1,591,141

(vi) By geographical distribution

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Malaysia	1,327,657	1,591,141
	1,327,657	1,591,141

11. Loans, advances and financing (cont'd.)

(vii) Movement of ECL for loans, advances and financing

	Group and Bank			
	Stage 1 RM'000	**Stage 2 RM'000**	**Stage 3 RM'000**	**Total RM'000**
At 1 January 2026	3,249	-	292	3,541
Total (reversal)/charge to profit or loss	(1,823)	757	(292)	(1,358)
Changes in ECL due to transfer within stages:				
- Transfer to Stage 2	(757)	757	-	-
New loans, advances and financing during the period	12	155	-	167
Repayment during the period	(796)	-	(292)	(1,088)
Changes in credit risk	(282)	(155)	-	(437)
At 30 June 2026	1,426	757	-	2,183
At 1 January 2025	8,537	293	12,518	21,348
Total (reversal)/charge to profit or loss	(5,288)	(293)	292	(5,289)
Changes in ECL due to transfer within stages:				
- Transfer to Stage 2	(2,277)	2,277	-	-
- Transfer to Stage 3	(47)	(226)	273	-
New loans, advances and financing during the year	976	-	-	976
Repayment during the year	(2,358)	-	(24)	(2,382)
Changes in credit risk	(1,582)	(2,344)	43	(3,883)
Written off	-	-	(12,537)	(12,537)
Other movements	-	-	19	19
At 31 December 2025	3,249	-	292	3,541

11. Loans, advances and financing (cont'd.)

(viii) Movements in impaired loans, advances and financing

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
At 1 January	82,653	67,162
Classified as impaired	40,216	31,045
Recovered	(27,894)	(3,017)
Written off	-	(12,537)
	94,975	82,653
Less: ECL	-	(292)
Net impaired loan advances and financing	94,975	82,361
Net impaired loan advances and financing as a percentage of net loans, advances and financing	7.17%	5.19%
Gross impaired loan advances and financing as a percentage of gross loans, advances and financing	7.15%	5.19%

(ix) impaired loan advances and financing by economic sector

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
Mining and quarrying	55,432	55,165
Household	39,543	-
Electricity, gas and water supply	-	27,488
	94,975	82,653

12. Other assets

	Note	Group		Bank	
		30-Jun-26 RM'000	31-Dec-25 RM'000	30-Jun-26 RM'000	31-Dec-25 RM'000
Amounts due from brokers and clients	(a)	23,432	54,370	23,432	54,370
Deposits		156	144	156	144
Prepayments		3,490	4,722	3,490	4,722
Sundry receivables		9,902	10,388	9,902	10,388
Amount due from related companies		2,276	267	2,276	267
Amount due from subsidaries		-	-	10,945	6,799
		39,256	69,891	50,201	76,690
Less: ECL		(1,509)	(1,386)	(1,509)	(1,386)
		37,747	68,505	48,692	75,304

(a) Amounts due from brokers and clients

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
Brokers	21,358	9,454
Clients	2,074	44,916
	23,432	54,370

Brokers' and clients' debit balances arose from trading of securities through the Bank which are not yet due for settlement as at reporting date.

13. Deposits from customers

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
(a) By types of deposits:		
Call deposits	55,841	58,200
Fixed deposits	2,264,666	2,698,121
	2,320,507	2,756,321
(b) Maturity of term deposits from customers:		
Due within six months	2,108,800	2,412,744
Six months to one year	211,707	343,577
	2,320,507	2,756,321
(c) By types of customers:		
Business enterprises	1,266,589	1,891,160
Government and statutory bodies	1,050,771	862,038
Individual	3,147	3,123
	2,320,507	2,756,321

14. Deposits and placements of banks and other financial institutions

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
(a) Call deposits		
Other financial institutions	31,662	15,782
(b) Fixed deposits		
Licensed banks	214,633	341,665
Other financial institutions	1,205,304	1,204,072
	1,419,937	1,545,737
	1,451,599	1,561,519
(c) By maturity structure of term deposits		
Due within six months	1,451,599	1,561,013
Six months to one year	-	506
	1,451,599	1,561,519

15. Other liabilities

	Note	Group		Bank	
		30-Jun-26 RM'000	31-Dec-25 RM'000	30-Jun-26 RM'000	31-Dec-25 RM'000
Amounts due to brokers and brokers and clients	(a)	25,261	54,421	25,261	54,421
Accrued liabilities and other and other payables		18,205	14,353	18,208	14,353
Employee benefits		2,793	2,705	2,793	2,705
Amount due to immediate holding company		4,052	72,037	4,052	72,033
Amount due to penultimate holding company		2,943	-	2,943	-
Amount due to related company		877	86	877	86
ECL allowances on financing commitment	(b)	280	325	280	325
		54,411	143,927	54,414	143,923

(a) Amounts due to brokers and clients

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
Brokers	-	23,772
Clients	25,261	30,649
	25,261	54,421

Broker' and clients' credit balances arose from trading of securities through the Bank which are not yet due for settlement as at reporting date under the Rules of Bursa Malaysia Securities Berhad.

15. Other liabilities (cont'd.)

(b) Movements in the ECL allowances on financing commitment is as follows:

Loans, advances and financing commitments

	Group and Bank			
	Stage 1 RM'000	**Stage 2 RM'000**	**Stage 3 RM'000**	**Total RM'000**
At 1 January 2026	325	-	-	325
Total reversal to profit or loss	(45)	-	-	(45)
Derecognised/drawdown to financing during the period	(44)	-	-	(44)
Changes in credit risk	(1)	-	-	(1)
At 30 June 2026	280	-	-	280
At 1 January 2025	2,171	23	-	2,194
Total reversal to profit or loss	(1,846)	(23)	-	(1,869)
Changes in ECL due to transfer within stages:				
- Transfer to Stage 3	-	(23)	23	-
Derecognised/drawdown to financing during the year	(1,351)	-	(23)	(1,374)
Changes in credit risk	(495)	-	-	(495)
At 31 December 2025	325	-	-	325

16. Interest income

	2nd Quarter Ended		Six Months Ended	
Group and Bank	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**
Loans, advances and financing	22,463	23,211	45,318	46,512
Money at call and deposit placements with financial	1,516	957	2,635	1,677
Financial investments at FVOCI	1,783	1,597	3,658	3,271
Financial investments at amortised cost	422	1,141	1,094	2,285
	26,184	26,906	52,705	53,745
Accretion of discount less amortisation of premium	(120)	(83)	(239)	(156)
	26,064	26,823	52,466	53,589

17. Interest expense

Group and Bank	2nd Quarter Ended 30-Jun-26 RM'000	2nd Quarter Ended 30-Jun-25 RM'000	Six Months Ended 30-Jun-26 RM'000	Six Months Ended 30-Jun-25 RM'000
Deposits from customers	7,564	10,712	16,586	21,117
Deposits and placements of bank and other financial institutions	5,211	3,356	8,821	7,071
	12,775	14,068	25,407	28,188
Lease liabilities	-	29	13	62
	12,775	14,097	25,420	28,250

18. Non-interest income

Group	2nd Quarter Ended 30-Jun-26 RM'000	2nd Quarter Ended 30-Jun-25 RM'000	Six Months Ended 30-Jun-26 RM'000	Six Months Ended 30-Jun-25 RM'000
Fee income:				
Fees on loans, advances and financing	32	8	40	26
Corporate advisory fees	270	800	730	1,090
Underwriting fees	-	245	-	245
Brokerage commission	3,304	1,752	5,864	3,925
Rollover charges	2,411	1,823	4,292	4,033
Facility fee	165	413	243	463
Redemption fee	118	233	143	488
Placement fees	-	715	-	715
Other fee income	364	371	780	540
	6,664	6,360	12,092	11,525
Investment income:				
Net gain on sale of financial assets at FVTPL	1	-	1	-
Net gain on sale of financial investments at FVOCI	545	1,147	643	1,170
	546	1,147	644	1,170
Other income:				
Intercompany management fee	21	24	42	48
Others	70	12	103	60
	91	36	145	108
	7,301	7,543	12,881	12,803

18. Non-interest income (cont'd.)

	2nd Quarter Ended		Six Months Ended	
Bank	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**
Fee income:				
Fees on loans, advances and financing	32	8	40	26
Corporate advisory fees	270	800	730	1,090
Underwriting fees	-	245	-	245
Brokerage commission	3,304	1,752	5,864	3,925
Rollover charges	2,411	1,823	4,292	4,033
Facility fee	165	413	243	463
Redemption fee	118	233	143	488
Placement fees	-	715	-	715
Other fee income	353	357	762	512
	6,653	6,346	12,074	11,497
Investment income:				
Net gain on sale of financial assets at FVTPL	1	-	1	-
Net gain on sale of financial investments at FVOCI	545	1,147	643	1,170
	546	1,147	644	1,170
Other income:				
Intercompany management fee	21	24	42	48
Others	48	9	70	18
	69	33	112	66
	7,268	7,526	12,830	12,733

19. Operating expenses

Group	2nd Quarter Ended 30-Jun-26 RM'000	2nd Quarter Ended 30-Jun-25 RM'000	Six Months Ended 30-Jun-26 RM'000	Six Months Ended 30-Jun-25 RM'000
(i) Staff costs:				
Wages, salaries and bonuses	8,390	9,089	16,017	18,646
Employees' benefits	45	56	88	112
Defined contribution plans	1,409	1,532	2,626	3,083
Social security costs	55	59	109	122
Other staff related expenses	1,014	5,003	2,142	5,642
	10,913	15,739	20,982	27,605
(ii) Establishment costs:				
Depreciation and amortisation	1,216	1,568	2,065	3,122
Depreciation of right-of-use assets	-	302	202	604
Rental of premises and office equipment	292	18	405	35
General repairs and maintenance	-	-	-	8
Insurance	-	69	-	142
Information and technology expenses	2,289	1,535	4,010	3,645
	3,797	3,492	6,682	7,556
(iii) Promotion and marketing related expenses:				
Business promotion and advertisement	51	358	352	600
Entertainment	86	49	161	98
	137	407	513	698
(iv) Administrative and general expenses:				
Auditors' remuneration				
- Statutory audit	129	91	259	182
Non-Executive Directors' remuneration	234	210	476	347
Shared service charges	3,819	4,318	9,846	8,952
Securities commission's levy	231	122	405	269
Brokerage fee	346	(118)	621	420
Bursa fee	62	56	126	126
License fee and stamp duty	58	61	102	99
Corporate dealers' and remisiers' commissions	24	(38)	136	(12)
Professional fees	-	313	23	407
Regulatory expenses	148	106	197	122
Others	612	216	600	308
	5,663	5,337	12,791	11,220
	20,510	24,975	40,968	47,079

19. Operating expenses (cont'd.)

Bank	2nd Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
(i) Staff costs:				
Wages, salaries and bonuses	8,390	9,089	16,017	18,646
Employees' benefits	45	56	88	112
Defined contribution plans	1,409	1,532	2,626	3,083
Social security costs	55	59	109	122
Other staff related expenses	1,014	5,003	2,142	5,642
	10,913	15,739	20,982	27,605
(ii) Establishment costs:				
Depreciation and amortisation	1,216	1,568	2,065	3,122
Depreciation of right-of-use assets	-	302	202	604
Rental of premises and office equipment	292	18	405	35
General repairs and maintenance	-	-	-	8
Insurance	-	69	-	142
Information and technology expenses	2,281	1,535	4,002	3,645
	3,789	3,492	6,674	7,556
(iii) Promotion and marketing related expenses:				
Business promotion and advertisement	51	358	352	600
Entertainment	86	49	161	98
	137	407	513	698
(iv) Administrative and general expenses:				
Auditors' remuneration				
- Statutory audit	129	91	259	182
Non-Executive Directors' remuneration	234	210	476	347
Shared service charges	3,819	4,313	9,846	8,942
Securities commission's levy	231	122	405	269
Brokerage fee	346	(118)	621	420
Bursa fee	62	56	126	126
License fee and stamp duty	58	61	102	99
Corporate dealers' and remisiers' commissions	24	(38)	136	(12)
Professional fees	-	313	23	407
Regulatory expenses	147	106	196	122
Others	612	215	600	307
	5,662	5,331	12,790	11,209
	20,501	24,969	40,959	47,068

20. ECL on loans, advances and financing and other impairment

Group and Bank	2nd Quarter Ended		Six Months Ended	
	30-Jun-26 RM'000	30-Jun-25 RM'000	30-Jun-26 RM'000	30-Jun-25 RM'000
ECL on loan, advances and advances made/(written back)				
Loans, advances and financing	746	(1,148)	1,358	(475)
Financing commitments	13	390	45	742
Bad debts recovered	-	833	-	840
	759	75	1,403	1,107
ECL on financial investments (written back/ made				
Financial investments at FVOCI	(406)	(46)	(395)	(105)
Financial investments at amortised cost	8	193	42	303
	(398)	147	(353)	198
Other ECL and impairment allowances written back				
Other assets	(57)	(925)	(123)	(1,265)
	304	(703)	927	40

21. 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.

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

	Group and Bank	
	30-Jun-26 Principal amount RM'000	30-Jun-25 Principal amount RM'000
Other commitments, such as formal and credit line, with an original maturity of:		
- not exceeding one year	499,248	326,759
- exceeding one year	69,195	88,326
	568,443	415,085

22. Credit exposures arising from credit transactions with connected parties

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
(i) Outstanding credit exposures with connected parties	222,011	343,795
(ii) Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	6.06%	8.54%
(iii) Percentage of outstanding credit exposures to connected parties which is impaired or in default	Nil	Nil

23. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Bank use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the Bank Group and the Bank can access at the measurement date;

- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

23. Fair value measurement (cont'd.)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Bank determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

Group and Bank	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial Assets				
30 June 2026				
Financial investments at FVOCI	-	1,885,750	1,032	1,886,782
	-	1,885,750	1,032	1,886,782
31 December 2025				
Financial investments at FVOCI	-	1,828,889	1,032	1,829,921
	-	1,828,889	1,032	1,829,921

The following table shows a reconciliation of the opening and closing amounts of Level 3 financial instruments which are recorded at fair value:

Group and Bank	Unquoted instruments Financial investment at FVOCI RM'000
At 1 January 2026 / 30 June 2026	1,032
At 1 January 2025	1,386
Change in fair value	(354)
At 31 December 2025	1,032

There was no transfers between Level 2 and Level 3 during the current and previous financial years for the Group and the Bank.

24. Capital adequacy

The Group and the Bank has complied and computed the capital adequacy ratios in accordance with Bank Negara Malaysia's Capital Adequacy Framework (Capital Components).

The total risk-weighted assets are computed based on the following approaches in determining the capital requirements in accordance with Bank Negara Malaysia's Capital Adequacy Framework (Basel II - Risk Weighted Assets):

- Credit Risk - Standardised Approach
- Market Risk - Standardised Approach
- Operational Risk - Standardised Approach

24. Capital adequacy (cont'd.)

	Group		Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000	30-Jun-26 RM'000	31-Dec-25 RM'000
Tier 1 Capital				
Common Equity Tier 1 ("CET1") Capital				
Ordinary shares	369,111	369,111	369,111	369,111
Regulatory reserve	31,443	31,443	31,443	31,443
FVOCI reserve	3,651	6,954	3,651	6,954
Retained profits	319,778	395,023	319,671	394,968
	723,983	802,531	723,876	802,476
Less: Regulatory adjustments	(43,020)	(45,746)	(43,020)	(45,746)
Total CET1 Capital	680,963	756,785	680,856	756,730
Total Tier 1 Capital	**680,963**	**756,785**	**680,856**	**756,730**
Tier 2 Capital				
Loss provision / loss provision and regulatory reserve	26,043	29,644	26,152	29,712
Total Tier 2 capital	**26,043**	**29,644**	**26,152**	**29,712**
Total Capital	**707,006**	**786,429**	**707,008**	**786,442**
CET1 Capital Ratio	29.153%	28.850%	29.040%	28.788%
Tier 1 Capital Ratio	29.153%	28.850%	29.040%	28.788%
Total Capital Ratio	30.268%	29.980%	30.155%	29.918%

The capital ratios after deducting proposed single-tier interim dividend of 15.00 sen per ordinary share in respect of financial period ended 30 June 2026 amounting to RM23,250,000 based on 155,000,000 shares issue (31 December 2025: single-tier second interim dividend of 65 sen per ordinary share amounting to RM100,750,000 based on 155,000,000 shares issue) are as follows:

After deducting dividend				
CET1 Capital Ratio	28.158%	25.009%	28.048%	24.955%
Tier 1 Capital Ratio	28.158%	25.009%	28.048%	24.955%
Total Capital Ratio	29.272%	26.139%	29.164%	26.086%

Breakdown of gross risk-weighted assets in the various categories of risk-weights are as follows:

	Group		Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000	30-Jun-26 RM'000	31-Dec-25 RM'000
Credit risk	2,083,423	2,371,527	2,092,144	2,376,945
Operational risk	252,412	251,680	252,412	251,680
	2,335,835	2,623,207	2,344,556	2,628,625

25. The operations of Islamic Banking Scheme ("SPI")

Statement of financial position as at 30 June 2026

	Note	Group and Bank 30-Jun-26 RM'000	Group and Bank 31-Dec-25 RM'000
Assets			
Cash and short-term funds	(a)	19,098	404,001
Financial investments at FVOCI	(b)	1,710,974	1,634,752
Financial investments at amortised cost	(c)	844,800	1,087,494
Financing and advances	(d)	416,708	536,328
Other assets	(e)	22,469	9,892
Deferred tax assets		229	9
Total assets		3,014,278	3,672,476
Liabilities			
Deposits from customers	(f)	1,522,690	1,533,558
Deposits and placements of banks and other financial institutions	(g)	670,231	1,170,318
Other liabilities	(h)	276,054	330,292
Provision for zakat		-	2,838
Total liabilities		2,468,975	3,037,006
Islamic banking capital funds			
Islamic banking funds		426,600	426,600
Reserves		118,703	208,870
Total Islamic banking capital funds		545,303	635,470
Total liabilities and Islamic banking capital funds		3,014,278	3,672,476

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

Statement of profit or loss and other comprehensive income
For the financial period ended 30 June 2026

		2nd Quarter Ended		Six Months Ended	
Group and Bank	**Note**	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**
Income derived from investment of depositors' funds	(i)	31,623	40,520	63,230	80,638
Income derived from investment of Islamic Banking funds	(j)	5,979	13,759	11,042	23,303
ECL on financing and advances and other impairment	(k)	316	(615)	948	64
Total attributable income		37,918	53,664	75,220	104,005
Income attributable to depositors depositors	(l)	(20,061)	(28,782)	(40,880)	(56,740)
Total net income		17,857	24,882	34,340	47,265
Operating expenses		(8,701)	(19,434)	(17,344)	(26,857)
Profit before taxation and zakat		9,156	5,448	16,996	20,408
Taxation		(2,274)	(1,736)	(4,219)	(5,200)
Zakat		372	(184)	372	(481)
Profit for the financial period		7,254	3,528	13,149	14,727
Other comprehensive income/(loss), net of tax					
Items that may be reclassified to profit or loss:					
Revaluation reserve on financial investments at FVOCI					
- Changes in allowance for ECL on financial investment at FVOCI		409	30	402	96
- Realised loss transferred to statement on income on disposal		(65)	(1,649)	(64)	(1,903)
- Net (loss)/gain from change in fair values		(664)	5,562	(2,904)	8,936
Other comprehensive (loss)/income, net of tax		(320)	3,943	(2,566)	7,129
Total comprehensive income for the financial period		6,934	7,471	10,583	21,856

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

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

Statements of changes in equity
For the financial period ended 30 June 2026

	<----------Non-distributable ---------->			Distributable	
Group and Bank	**Share capital RM'000**	**Regulatory reserve RM'000**	**Fair value reserve RM'000**	**Retained profits RM'000**	**Total RM'000**
At 1 January 2026	426,600	19,450	5,817	183,603	635,470
Profit for the financial period	-	-	-	13,149	13,149
Other comprehensive loss for the financial period	-	-	(2,566)	-	(2,566)
Total comprehensive (loss)/ income for the financial period	-	-	(2,566)	13,149	10,583
Dividend to owner of the Bank [Note 7]	-	-	-	(100,750)	(100,750)
At 30 June 2026	426,600	19,450	3,251	96,002	545,303
At 1 January 2025	426,600	18,331	(1,944)	311,018	754,005
Profit for the financial period	-	-	-	14,727	14,727
Other comprehensive income for the financial period	-	-	7,129	-	7,129
Total comprehensive income for the financial period	-	-	7,129	14,727	21,856
Transfer from regulatory reserve	-	(3,050)	-	3,050	-
Dividend to owner of the Bank	-	-	-	(150,000)	(150,000)
At 30 June 2025	426,600	15,281	5,185	178,795	625,861

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

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(a) Cash and short-term funds

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
Cash and balances with banks and other financial institutions	19,098	30,001
Money at call and deposit placements maturing within one month	-	374,000
	19,098	404,001

(b) Financial investments at FVOCI

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
Money market instruments		
Government investment issues	619,909	559,437
Unquoted securities		
In Malaysia		
Corporate sukuk	1,091,065	1,075,315
	1,710,974	1,634,752

Movement of allowance for credit losses recognised in FVOCI reserve:

	Group and Bank		
	Stage 1 RM'000	Stage 2 RM'000	Total RM'000
At 1 January 2026	121	-	121
Total charge during the period	9	393	402
New financial investment purchased during the period	21	-	21
Financial investments derecognised and repayment during the period	(2)	-	(2)
Change in credit risk parameter	(10)	393	383
At 30 June 2026	130	393	523
At 1 January 2025	147	31	178
Total reversal during the year	(26)	(31)	(57)
New financial investment purchased during the year	23	-	23
Financial investments derecognised and repayment during the year	(39)	(5)	(44)
Change in credit risk parameter	(10)	(26)	(36)
At 31 December 2025	121	-	121

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(c) Financial investments at amortised costs

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Money market instruments		
Government investment issues	232,156	252,596
Unqouted securities		
In Malaysia		
Corporate sukuk	613,167	835,458
	845,323	1,088,054
Less: ECL	(523)	(560)
	844,800	1,087,494

ECL movement for financial investments at amortised cost:

	Group and Bank
	Stage 1
	RM'000
At 1 January 2026	560
Total reversal during the period	(37)
Financial investments derecognised and repayment during the period	(6)
Change in credit risk parameter	(31)
At 30 June 2026	523
At 1 January 2025	863
Total reversal during the period	(303)
New financial investment purchased during the year	512
Financial investments derecognised and repayment during the year	(803)
Change in credit risk parameter	(12)
At 31 December 2025	560

There was no Stage 2 and Stage 3 exposure as at 30 June 2026 and 31 December 2025.

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(d) Financing and advances

(i) By type
At amortised cost

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Term financing		
- Syndicated term financing	245,385	254,513
- Other term financing	173,485	285,331
	418,870	539,844
Staff financing	21	25
Gross financing and advances	418,891	539,869
Less: ECL allowance	(2,183)	(3,541)
Net financing and advances	416,708	536,328

(ii) By classification of Shariah contracts

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Term financing		
- Commodity Murabahah	418,870	539,844
Staff financing	21	25
	418,891	539,869

(iii) By residual contractual maturity

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
Within one year	179,331	247,291
One year to three years	11	72,178
Three year to five years	120,220	120,234
After five years	119,329	100,166
	418,891	539,869

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

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

(iv) By type of customers

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Domestic business enterprises		
- Large corporations	244,109	272,656
- Small medium enterprises	174,761	242,640
Domestic other non-bank financial institutions	-	24,548
Individuals	21	25
	418,891	539,869

(v) By sector

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Finance, insurance and business services	143,847	240,957
Construction	100,342	100,352
Wholesale, retail trade, restaurants and hotels	83,502	66,358
Mining and quarrying	55,432	55,165
Others	19,870	19,874
Electricity, gas and water supply	10,033	47,557
Manufacturing	5,844	9,581
Household	21	25
	418,891	539,869

(vi) By profit rate sensitivity

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Fixed rate		
Staff financing	21	25
Variable rate		
Term financing	418,870	539,844
	418,891	539,869

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

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

(vii) By geographical distribution

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
Malaysia	418,891	539,869
	418,891	539,869

(viii) Movement of ECL for financing and advances

Group and Bank	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2026	3,249	-	292	3,541
Total (reversal)/charge to profit or loss	(1,823)	757	(292)	(1,358)
Changes in ECL due to transfer within stages:				
- Transfer to Stage 2	(757)	757	-	-
New financing during the period	12	155	-	167
Repayment during the period	(796)	-	(292)	(1,088)
Change in credit risk	(282)	(155)	-	(437)
At 30 June 2026	1,426	757	-	2,183
At 1 January 2025	8,537	293	-	8,830
Total (reversal)/charge to profit or loss	(5,288)	(293)	292	(5,289)
Changes in ECL due to transfer within stages:				
- Transfer to Stage 2	(2,277)	2,277	-	-
- Transfer to Stage 3	(47)	(226)	273	-
New financing during the period	975	-	-	975
Repayment during the year	(2,357)	-	(24)	(2,381)
Change in credit risk	(1,582)	(2,344)	43	(3,883)
At 31 December 2025	3,249	-	292	3,541

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

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

(ix) Movements in impaired financing

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
At 1 January	82,653	54,626
Classified as impaired	673	31,043
Recovered	(27,894)	(3,016)
	55,432	82,653
Less: ECL allowance	-	(292)
Net impaired financing	55,432	82,361
Net impaired financing as a percentage of net financing and advances	13.30%	15.36%
Gross impaired financing as a percentage of gross financing and advances	13.23%	15.31%

(x) Impaired financing by economic sector

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
Mining and quarrying	55,432	55,165
Electricity, gas and water supply	-	27,488
	55,432	82,653

(e) Other assets

	Note	Group and Bank	
		30-Jun-26 RM'000	31-Dec-25 RM'000
Deposits		52	52
Prepayments		10	10
Sundry receivables		4,640	5,716
Amounts due from brokers and clients	(a)	17,699	5,113
Amount due from related companies		450	-
Amount due from immediate holding company		707	-
		23,558	10,891
Less: ECL		(1,089)	(999)
		22,469	9,892

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(e) Other assets (cont'd.)

(a) Amounts due from brokers and clients

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Brokers	15,754	902
Clients	1,945	4,211
	17,699	5,113

Brokers' and clients' debit balances arose from trading of securities through the Bank which are not yet due for settlement as at reporting date.

(f) Deposits from customers

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
(i) By type of deposits:		
Commodity murabahah fund		
Term deposits	1,522,690	1,533,558
(ii) Maturity of term deposits from customers:		
Due within six months	1,322,990	1,226,525
Six months to one year	199,700	307,033
	1,522,690	1,533,558
(iii) By type of customer		
Commodity murabahah fund		
Business enterprises	521,927	821,782
Government and statutory bodies	1,000,763	711,776
	1,522,690	1,533,558

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(g) Deposits and placements of banks and other financial institutions

	Group and Bank	
	30-Jun-26	**31-Dec-25**
	RM'000	**RM'000**
(i) By types of deposit		
Commodity murabahah fund		
Term deposits	670,231	1,170,318
(ii) By type of customer		
Commodity murabahah fund		
Licensed islamic banks	20,502	300,062
Other financial institutions	649,729	870,256
	670,231	1,170,318
(iii) By maturity structure of term deposits		
Due within six months	670,231	1,169,812
Six months to one year	-	506
	670,231	1,170,318

(h) Other liabilities

		Group and Bank	
		30-Jun-26	**31-Dec-25**
	Note	**RM'000**	**RM'000**
Amounts due to clients	(a)	17,663	5,097
Accrued liabilities and other payables		10,430	9,789
ECL allowances on financing commitment	(b)	280	325
Amount due to immediate holding company		-	112
Amount due to Head Office		247,681	314,969
		276,054	330,292

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(h) Other liabilities (cont'd.)

(a) Amounts due to clients

	Group and Bank	
	30-Jun-26 RM'000	31-Dec-25 RM'000
Clients	17,663	5,097
	17,663	5,097

Clients' credit balances arose from trading of securities through the Bank which are not yet due for settlement as at reporting date under the Rules of Bursa Malaysia Securities Berhad.

(b) Movements in the ECL allowances on financing commitment is as follows:

	Group and Bank			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Totsl RM'000
At 1 January 2026	325	-	-	325
Total reversal to profit or loss	(45)	-	-	(45)
Derecognised/drawdown to financing during the period	(44)	-	-	(44)
Change in credit risk parameters	(1)	-	-	(1)
At 30 June 2026	280	-	-	280
At 1 January 2025	2,171	23	-	2,194
Total reversal to profit or loss	(1,846)	(23)	-	(1,869)
Changes in ECL due to transfer within stages:				
- Transfer to Stage 3	-	(23)	23	-
New financing during the year	-	-	(23)	(23)
Derecognised/drawdown to financing during the year	(1,351)	-	-	(1,351)
Change in credit risk parameters	(495)	-	-	(495)
At 31 December 2025	325	-	-	325

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(i) Income derived from investment of depositors' funds

Group and Bank	2nd Quarter Ended 30-Jun-26 RM'000	2nd Quarter Ended 30-Jun-25 RM'000	Six Months Ended 30-Jun-26 RM'000	Six Months Ended 30-Jun-25 RM'000
Finance income and hibah				
Financing and advances	5,219	8,301	11,641	17,060
Money at call and deposit placements with financial institutions	1,185	1,209	2,151	2,549
Financial investments at FVOCI	14,469	13,583	29,488	28,066
Financial investments at amortised costs	9,838	14,963	20,614	30,215
	30,711	38,056	63,894	77,890
Accretion of discount less amortisation of premium	(878)	980	(2,456)	1,035
	29,833	39,036	61,438	78,925
Other operating income				
Net gain on sale of financial assets at FVTPL	3	-	6	-
Net gain on sale of financial investments at FVOCI	59	1,484	58	1,713
Net gain on sale of financial investments at amortised cost	1,728	-	1,728	-
	1,790	1,484	1,792	1,713
	31,623	40,520	63,230	80,638

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(j) Income derived from investment of Islamic Banking funds

	2nd Quarter Ended		Six Months Ended	
Group and Bank	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**	**30-Jun-26 RM'000**	**30-Jun-26 RM'000**
Finance income and hibah				
Financing and advances	579	922	1,293	1,895
Money at call and deposit placements with financial institutions	132	134	239	283
Financial investments at FVOCI	1,608	1,510	3,277	3,119
Financial investments at amortised costs	1,093	1,663	2,290	3,358
	3,412	4,229	7,099	8,655
Accretion of discount less amortisation of premium	(98)	109	(273)	115
Total finance income and hibah	3,314	4,338	6,826	8,770
Other operating income				
Net gain on sale of financial assets at FVTPL	-	-	1	-
Net gain on sale of financial investments at FVOCI	6	165	6	190
Net gain on sale of financial investments at amortised cost	192	-	192	-
	198	165	199	190
Fees and others				
Fee income	2,332	9,249	3,749	14,331
Other income	135	7	268	12
	2,467	9,256	4,017	14,343
	5,979	13,759	11,042	23,303

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(k) ECL on financing and advances and other impairment

	2nd Quarter Ended		Six Months Ended	
Group and Bank	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**	**30-Jun-26 RM'000**	**30-Jun-26 RM'000**
ECL on financing and advances written back/(made):				
Financing and advances	746	(1,149)	1,358	(476)
Financing commitments	13	390	45	742
Bad debts recovered	-	834	-	834
	759	75	1,403	1,100
ECL on financial investments written back/(made):				
Financial investments at FVOCI	(409)	(48)	(402)	(107)
Financial investments at amortised cost	7	193	37	238
	(402)	145	(365)	131
Other ECL and impairment allowances made:				
Other assets	(41)	(835)	(90)	(1,167)
	316	(615)	948	64

(l) Income attributable to depositors

	2nd Quarter Ended		Six Months Ended	
Group and Bank	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**	**30-Jun-26 RM'000**	**30-Jun-25 RM'000**
Commodity murabahah fund				
Deposits from customers	13,848	20,237	27,455	40,335
Deposits and placements of banks and other financial institutions	6,213	8,545	13,425	16,405
	20,061	28,782	40,880	56,740

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(m) Net income from Islamic banking

Group and Bank	2nd Quarter Ended 30-Jun-26 RM'000	2nd Quarter Ended 30-Jun-25 RM'000	Six Months Ended 30-Jun-26 RM'000	Six Months Ended 30-Jun-25 RM'000
Income derived from investment of depositors' funds	31,623	40,520	63,230	80,638
Income derived from investment of Islamic banking funds	5,979	13,759	11,042	23,303
Less: Income attributable to depositors	(20,061)	(28,782)	(40,880)	(56,740)
	17,541	25,497	33,392	47,201

(n) Capital adequacy

The capital adequacy ratio of the Group and of the Bank are as follows:

	Group and Bank 30-Jun-26 RM'000	Group and Bank 31-Dec-25 RM'000
Tier 1 Capital		
Common Equity Tier 1 ("CET1") Capital		
Islamic banking fund	426,600	426,600
Regulatory reserve	19,450	19,450
FVOCI reserve	3,251	5,817
Retained profits	96,002	183,603
	545,303	635,470
Less: Regulatory adjustments	(21,238)	(22,658)
Total CET 1 Capital, representing Total Tier 1 Capital	**524,065**	**612,812**
Tier 2 Capital		
Loss provision/loss provision and regulatory reserve	11,708	13,822
Total Tier 2 capital	**11,708**	**13,822**
Total Capital	**535,773**	**626,634**

25. The operations of Islamic Banking Scheme ("SPI") (cont'd.)

(n) Capital adequacy (cont'd.)

The capital adequacy ratio of the Group and of the Bank are as follows: (cont'd.)

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
CET1 Capital Ratio	49.434%	49.774%
Tier 1 Capital Ratio	49.434%	49.774%
Total Capital Ratio	50.539%	50.897%

The capital ratios after deducting proposed single-tier interim dividend of 7.74 sen per ordinary share in respect of financial period ended 30 June 2026 amounting to RM12,000,000 based on 155,000,000 shares issue (31 December 2025: single-tier second interim dividend of 65 sen per ordinary share amounting to RM100,750,000 based on 155,000,000 shares issue) are as follows:

After deducting dividend		
CET1 Capital Ratio	48.302%	41.591%
Tier 1 Capital Ratio	48.302%	41.591%
Total Capital Ratio	49.407%	42.714%

Breakdown of gross risk-weighted assets in the various categories of risk-weights are as follows:

	Group and Bank	
	30-Jun-26	31-Dec-25
	RM'000	RM'000
Total risk-weighted assets for credit risk	936,648	1,105,794
Total risk-weighted assets equivalent for operational risk	123,474	125,394
	1,060,122	1,231,188

Outlook for 2026

The global economic environment is expected to remain challenging in 2026 amid heightened geopolitical tensions, persistent trade uncertainties and evolving monetary policy conditions. According to the International Monetary Fund ("IMF"), global economic growth is projected at 3.1% in 2026, reflecting the impact of higher energy prices, tighter financial conditions and increased uncertainty arising from geopolitical developments.

Bank Negara Malaysia ("BNM") projects Malaysia's economy to grow between 4.0% and 5.0% in 2026, supported by resilient domestic demand and continued investment activity, although external risks remain elevated due to geopolitical tensions and slower global economic growth.

As a subsidiary of MBSB Berhad, the Bank strives to enhance synergies by offering a comprehensive range of investment banking services, including debt capital market solutions, corporate finance advisory, equity underwriting, treasury management, equity broking, and economic and equity research. These services complement MBSB Group offerings, providing a complete suite of banking solutions for its customers.

Performance review for the financial period ended 30 June 2026

The Group recorded a profit before taxation and zakat of RM33.3 million for the financial period ended 30 June 2026, representing an decrease of RM5.0 million or 13.1% compared to RM38.3 million in the corresponding period of the previous financial year. The lower performance was mainly driven by lower net income from Islamic banking operations of RM13.8 million, partially mitigated by lower operating expenses of RM6.1 million.

As at 30 June 2026, the Group's CET1/Tier 1 capital ratio and total capital ratio (after deducting proposed dividend) stood at 28.158% and 29.272% respectively. The Group maintained healthy liquidity position, with liquidity coverage ratio of 147.41% (average 12 months of 158.76%) remained above the minimum regulatory requirement of 100%.