

OCBC AL-AMIN BANK BERHAD

Registration No. 200801017151 (818444-T)

(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2025

Domiciled in Malaysia
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UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025

		30 September 2025	31 December 2024
	Note	RM'000	RM'000
ASSETS			
Cash and cash equivalents	9	507,039	940,484
Financial investments at fair value through other comprehensive income ("FVOCI")	10	4,777,176	4,396,524
Financing and advances	11	18,197,641	16,873,602
Derivative financial assets	13	45,387	12,550
Other assets	14	134,207	90,480
Statutory deposits with BNM		103,000	196,500
Property and equipment		1,304	1,980
Right-of-use ("ROU") assets		1,617	2,734
Deferred tax assets		26,867	29,166
Total assets		23,794,238	22,544,020
LIABILITIES			
Deposits from customers	15	12,128,854	11,382,006
Investment accounts due to designated financial institution	16	7,824,555	7,736,685
Deposits and placements of banks and other financial institutions	17	273,241	289,190
Obligations on securities sold under repurchase agreements		494,101	393,729
Bills and acceptances payable		9,340	10,895
Derivative financial liabilities	13	47,204	13,195
Other liabilities	18	172,421	182,649
Provision for taxation and zakat		38,041	21,775
Total liabilities		20,987,757	20,030,124
EQUITY			
Share capital		555,000	555,000
Reserves		2,251,481	1,958,896
Total equity		2,806,481	2,513,896
Total liabilities and equity		23,794,238	22,544,020
Commitments and contingencies	28	8,334,098	5,781,997

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2024 and the accompanying explanatory notes to the unaudited condensed interim financial statements.

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2025**

		Quarter Ended		Year-To-Date Ended	
		30 September 2025 RM'000	30 September 2024 RM'000	30 September 2025 RM'000	30 September 2024 RM'000
Note					
Income derived from investment of depositors' funds and others	19	145,282	136,642	427,881	407,607
Income derived from investment of investment account funds	20	91,107	73,514	270,495	214,752
Income derived from investment of shareholder's funds	21	66,820	44,529	162,566	133,774
Impairment allowance and provisions writeback/(charged)	22	48,440	(26,131)	68,759	8,624
Total distributable income		351,649	228,554	929,701	764,757
Income attributable to depositors and others	23	(68,307)	(64,193)	(201,587)	(194,175)
Income attributable to investment account holder	24	(64,105)	(51,461)	(190,169)	(150,327)
Total net income		219,237	112,900	537,945	420,255
Operating expenses	25	(58,390)	(57,564)	(173,306)	(160,013)
Profit before taxation and zakat		160,847	55,336	364,639	260,242
Income tax expense	26	(38,708)	(13,318)	(87,806)	(62,752)
Zakat		(13)	(12)	(38)	(37)
Profit for the period		122,126	42,006	276,795	197,453
Items that may be subsequently reclassified to profit or loss					
Fair value reserve on FVOCI					
- Change in fair value		(1,040)	12,516	23,211	17,559
- Transferred to profit or loss		(143)	(1,192)	(2,373)	(1,785)
- Related tax		284	(2,718)	(5,001)	(3,786)
Change in expected credit loss ("ECL") reserve on FVOCI	27	(6)	(47)	45	
Other comprehensive (expense)/income for the period, net of income tax		(872)	8,600	15,790	12,033
Total comprehensive income for the period		121,254	50,606	292,585	209,486
Profit attributable to the owner of the Bank		122,126	42,006	276,795	197,453
Total comprehensive income attributable to the owner of the Bank		121,254	50,606	292,585	209,486
Basic earnings per ordinary share (sen)		66.00	22.70	149.62	106.73

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2024 and the accompanying explanatory notes to the unaudited condensed interim financial statements.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2025

	<i>Non-distributable</i>			<i>Distributable</i>	
	Share Capital RM'000	Regulatory Reserve RM'000	ECL Reserve RM'000	Fair Value Reserve RM'000	Retained Earnings RM'000
2025					Total Equity RM'000
At 1 January 2025	555,000	91,000	251	1,328	1,866,317
Fair value reserve					
- Change in fair value	-	-	-	23,211	-
- Transferred to profit or loss	-	-	-	(2,373)	-
- Related tax	-	-	-	(5,001)	-
Change in ECL reserve	-	-	(47)	-	-
Total other comprehensive (expense)/income for the period	-	-	(47)	15,837	-
Profit for the period	-	-	-	-	276,795
Total comprehensive (expense)/income for the period	-	-	(47)	15,837	276,795
At 30 September 2025	555,000	91,000	204	17,165	2,143,112
2024					
At 1 January 2024	555,000	91,000	155	(6,759)	1,588,170
Fair value reserve					
- Change in fair value	-	-	-	17,559	-
- Transferred to profit or loss	-	-	-	(1,785)	-
- Related tax	-	-	-	(3,786)	-
Change in ECL reserve	-	-	45	-	-
Total other comprehensive income for the period	-	-	45	11,988	-
Profit for the period	-	-	-	-	197,453
Total comprehensive income for the period	-	-	45	11,988	197,453
At 30 September 2024	555,000	91,000	200	5,229	1,785,623

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2024 and the accompanying explanatory notes to the unaudited condensed interim financial statements.

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2025

	30 September 2025 RM'000	30 September 2024 RM'000
Cash flows from operating activities		
Profit before taxation and zakat	364,639	260,242
<i>Adjustments for:</i>		
Net loss/(gain) from disposal of:		
- Financial assets at FVTPL	-	150
- Financial investments at FVOCI	(2,373)	(1,785)
- Property and equipment	-	2
Depreciation of equipment	710	733
Depreciation of ROU assets	1,117	1,141
Impairment allowance and provisions	(19,831)	10,235
Finance expense on lease liabilities	56	76
Share-based costs	233	256
Unrealised loss on:		
- Financial assets at FVTPL	-	29
- Derivatives	803	(2,666)
Operating profit before changes in working capital	345,354	268,413
<i>Changes in operating assets and operating liabilities:</i>		
Financial assets at FVTPL	-	4,842
Financing and advances	(1,304,257)	94,985
Derivative financial assets	(33,640)	(43,237)
Other assets	(43,726)	2,339
Statutory deposits with BNM	93,500	(22,500)
Deposits from customers	746,848	(393,936)
Investment accounts due to designated financial institution	87,870	901,641
Deposits and placements of banks and other financial institutions	(15,949)	(372,044)
Obligations on securities sold under repurchase agreements	100,372	145,067
Bills and acceptances payable	(1,555)	(5,503)
Derivative financial liabilities	34,009	43,804
Other liabilities	(9,333)	(54,390)
Cash (used in)/generated from operations	(507)	569,481
Income tax and zakat paid	(74,279)	(52,458)
Net cash (used in)/generated from operating activities	(74,786)	517,023
Cash flows from investing activities		
Acquisition of financial investments at FVOCI	(5,940,000)	(4,310,000)
Proceeds from disposal of financial investments at FVOCI	5,582,559	3,374,145
Acquisition of equipment	(34)	(88)
Net cash generated used in investing activities	(357,475)	(935,943)
Cash flows from financing activity		
Payment of lease liabilities	(1,184)	(1,193)
Net cash used in financing activity	(1,184)	(1,193)
Net decrease in cash and cash equivalents	(433,445)	(420,113)
Cash and cash equivalents at 1 January	940,484	1,123,565
Cash and cash equivalents at 30 September	507,039	703,452
Change in liabilities arising from financing activity		
	2025 RM'000	2024 RM'000
At 1 January	2,787	3,504
Payment of lease liabilities	(1,184)	(1,193)
Acquisition of new leases and changes in lease terms	-	769
Finance expense on lease liabilities	56	76
At 30 September	1,659	3,156

Details of cash and cash equivalents are disclosed in Note 9 of the unaudited condensed interim financial statements.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2024 and the accompanying explanatory notes to the unaudited condensed interim financial statements.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

GENERAL INFORMATION

The Bank is a licensed Islamic Bank principally engaged in Islamic Banking and related financial services. There were no significant changes in these activities during the financial period.

PERFORMANCE REVIEW

The Bank posted profit after tax of RM276.8 million for the financial period ended 30 September 2025, increasing by RM79.3 million year-on-year mainly due to higher net writeback in allowances of RM60.1 million, higher income derived from shareholder's funds of RM28.8 million, investment of depositors' funds and others of RM20.3 million and net income from investment account funds of RM15.9 million partly offset by higher taxes of RM25.1 million, operating expenses of RM13.3 million and profit attributable to depositors of RM7.4 million.

Higher net writeback in allowances of RM60.1 million mainly due to higher other recoveries of RM44.9 million and Stage 1 & 2 expected credit losses ("ECL") net writebacks of RM19.7 million partly offset by lower ECL 3 net writebacks of RM4.5 million.

Higher income derived from shareholder's funds of RM28.8 million mainly due to higher service charges and fees of RM13.3 million and higher finance income of RM12.2 million.

Gross financing and advances increased by RM1.3 billion or 7% to RM18.3 billion this year, mainly from household for purchase of residential properties RM0.6 billion, transport, storage & communication of RM0.3 billion and wholesale & retail trade & restaurants & hotels of RM0.3 billion. Customer deposits increased by RM0.7 billion mainly from negotiable instrument of deposits issued of RM0.6 billion and short-term deposits of RM0.3 billion partly offset by lower demand deposits of RM0.2 billion.

Shareholder's funds strengthened by RM293 million to RM2.8 billion. The Bank is well capitalised, after taking into account the effects of RPSIA, with Common Equity Tier 1/Tier 1 capital ratios of 27.415% and Total capital ratio of 27.969%.

ECONOMIC PERFORMANCE AND PROSPECTS

Malaysia's economy expanded by 4.4% in the second quarter of 2025 (1Q 2025: 4.4%), supported by higher household spending, stronger investment activity and robust tourism activity. The economy remains on a stable footing, with full-year GDP growth projected between 4% and 4.8%. While the recent reduction in selected tariffs has provided some clarity, the broader higher-tariff environment poses challenges to external demand. Nevertheless, resilient domestic demand and ongoing demand for electrical and electronic goods are expected to support growth in the second half of the year.

Bank Negara Malaysia ("BNM") kept the Overnight Policy Rate ("OPR") unchanged at 2.75% in September 2025 following a pre-emptive 25-basis points cut in July 2025, viewing current stance as appropriate to support growth amid stable inflation. The banking system remains sound, supported by strong capital and liquidity buffers as well as prudent risk management, ensuring continued support for domestic financing needs.

1 BASIS OF PREPARATION

The accounting policies set out below have been applied consistently to the periods presented in the unaudited condensed interim financial statements, except as disclosed in Note 1(a) to the interim financial statements.

The unaudited condensed interim financial statements of the Bank have been prepared under the historical cost convention except for the assets and liabilities which are stated at fair value as disclosed in the notes to the unaudited condensed interim financial statements: financial assets at FVTPL, financial investments at FVOCI and derivative financial instruments. The unaudited condensed interim financial statements are presented in Ringgit Malaysia ("RM"), which is the Bank's functional currency. All financial information presented in RM have been rounded to the nearest thousand, unless otherwise stated.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

1 BASIS OF PREPARATION (continued)

(a) Statement of compliance

The unaudited condensed interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, International Accounting Standard 34 and BNM's Shariah requirements.

The following amendments to accounting standards have been adopted by the Bank during the current period:

- Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

The adoption of the abovementioned amendments to accounting standards did not have any material impact on the financial statements of the Bank.

The Bank has not adopted the following amendments to accounting standards issued by the Malaysian Accounting Standards Board ("MASB") as they are not yet effective:

Effective for annual periods commencing on or after 1 January 2026

- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures
- *The Classification and Measurement of Financial Instruments*
- Amendments to MFRS Accounting Standards which are part of Annual Improvements - Volume 11
- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures
- *Contracts Referencing Nature-dependent Electricity*

Effective for annual periods commencing on or after 1 January 2027

- Amendments to MFRS 18, *Presentation and Disclosure in Financial Statements*

The Bank plans to apply the abovementioned amendments to accounting standards, which are relevant to the Bank when they become effective in the respective financial periods. The initial application of the abovementioned amendments to accounting standards are not expected to have any material impact to the financial statements of the Bank except for MFRS 18 which is a new accounting standard for presentation and disclosure of information in the financial statements that replaces MFRS 101, Presentation of Financial Statements.

The new standard introduces a defined structure for the statement of profit or loss, which comprises new categories and subtotals. Income and expenses included in the statement of profit or loss are to be classified into three new distinct categories i.e., operating, investing and financing, based on the main business activities of the entity; and two new required subtotals to enable analysis, i.e., operating profit or loss and profit or loss before financing and income taxes. It also sets out new disclosure requirements of management-defined performance measures. Furthermore, MFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements.

The Bank plan to apply MFRS 18 from its mandatory effective from 1 January 2027, and will be applied retrospectively, whereby the comparative information for the financial year ending 31 December 2026 will be restated in accordance with requirements of MFRS 18. The Bank is currently assessing the impact of MFRS 18 on the presentation and disclosures in the Bank's financial statements.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

1 BASIS OF PREPARATION (continued)

(b) Use of estimates and judgements

The preparation of the unaudited condensed interim financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the unaudited condensed interim financial statements, the significant judgements made by management in applying the Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited financial statements as at and for the financial year ended 31 December 2024.

2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Bank in these unaudited condensed interim financial statements are the same as those applied by the Bank in its audited financial statements as at 31 December 2024 and for the financial year ended then, except as disclosed in Note 1(a) to the interim financial statements.

3 AUDITOR'S REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditor's report on the financial statements for the financial year ended 31 December 2024 was not subject to any qualification.

4 SEASONALITY OF OPERATIONS

The business operations of the Bank are not materially affected by any seasonal factors.

5 DEBT SECURITIES

There were no other issuances, cancellations, repurchases and repayments of debt securities by the Bank during the financial period ended 30 September 2025.

6 DIVIDEND

No dividend was proposed in respect of the financial period ended 30 September 2025.

7 SUBSEQUENT EVENTS

There was no material event subsequent to the end of the reporting period that requires disclosure or adjustments to the unaudited condensed interim financial statements.

8 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There was no unusual items affecting the assets, liabilities, equity and net income or cash flows of the Bank for the financial period ended 30 September 2025.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

9 CASH AND CASH EQUIVALENTS

	30 September 2025 RM'000	31 December 2024 RM'000
Cash and balances with banks and other financial institutions	98,838	79,471
Deposits and placements with BNM	408,207	861,021
	<u>507,045</u>	<u>940,492</u>
Stage 1 ECL allowance	(6)	(8)
	<u>507,039</u>	<u>940,484</u>

10 FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	30 September 2025 RM'000	31 December 2024 RM'000
At fair value		
Malaysian Government Investment Issues	2,582,808	2,251,627
Islamic Corporate Sukuk	817,714	602,859
Islamic Negotiable Instruments of Deposit	1,241,342	1,192,004
Cagamas Sukuk	135,312	350,034
	<u>4,777,176</u>	<u>4,396,524</u>

Included in the financial investments at FVOCI of the Bank, are Malaysian Government Investment issues which are pledged as collateral for obligations on securities sold under repurchase agreements with nominal value amounting to RM500 million (2024: RM400 million).

ECL allowance for financial investments at FVOCI is recognised in the ECL reserve.

	30 September 2025			31 December 2024		
	Stage 1 12 Months ECL RM'000	Stage 2 Lifetime ECL RM'000	Total ECL non credit- impaired RM'000	Stage 1 12 Months ECL RM'000	Stage 2 Lifetime ECL RM'000	Total ECL non credit- impaired RM'000
At 1 January	251	-	251	155	-	155
Transferred to Stage 1	22	(22)	-	-	-	-
Transferred to Stage 2	(73)	73	-	(1)	1	-
New financial assets originated or purchased	287	-	287	441	-	441
Financial assets derecognised	(70)	-	(70)	(177)	-	(177)
Net remeasurement during the period/year	(270)	6	(264)	(167)	(1)	(168)
At 30 September/31 December	<u>147</u>	<u>57</u>	<u>204</u>	<u>251</u>	<u>-</u>	<u>251</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

11 FINANCING AND ADVANCES

(i) By type and Shariah contract

	Sale based contracts					Lease based contracts			Equity based contracts			
	Bai' Bithaman Ajil		Tawarruq	Murabahah	Bai' Dayn	Ijarah Thumma Al- Bai	Ijarah	Ijarah Muntahiah Bi Al-Tamlik	Musharakah Mutanaqisah	Mudharabah	Others	Total
30 September 2025	Bai' Inah RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At amortised cost and net of unearned income												
Cash line financing	96	-	4,296	-	-	-	686,731	-	-	-	2,172	693,295
Term Financing												
- House financing	-	1,770	1,087,107	-	-	-	-	1,252,384	41,343	-	-	2,382,604
- Syndicated term financing	-	-	4,128,127	-	-	-	-	-	-	33,055	-	4,161,182
- Hire purchase receivables	-	-	-	-	-	66,846	-	67,061	-	-	-	133,907
- Other term financing	13,102	16,721	6,576,149	-	-	-	-	507,766	47,804	-	-	7,161,542
Bills receivable	-	-	-	3,412	29,060	-	-	-	-	-	-	32,472
Trust receipts	-	-	-	302	-	-	-	-	-	-	-	302
Revolving credit	-	-	3,395,210	-	-	-	-	-	-	-	-	3,395,210
Claims on customers under acceptance credits	-	-	-	45,628	17,100	-	-	-	-	-	-	62,728
Other financing	-	-	323,592	-	-	-	-	-	-	-	-	323,592
Gross financing and advances	13,198	18,491	15,514,481	49,342	46,160	66,846	686,731	1,827,211	89,147	33,055	2,172	18,346,834
ECL allowance												(149,193)
Net financing and advances												18,197,641

Included in financing and advances are specific business ventures funded by the Restricted Profit Sharing Investment Account ("RPSIA") arrangements between the Bank and its immediate holding company, OCBC Bank (Malaysia) Berhad (Note 16). The immediate holding company, being the RPSIA investor, is exposed to the risks and rewards of the business venture and accounts for the impairment allowances arising thereon.

As at 30 September 2025, the gross exposure and ECL relating to RPSIA financing amounted to RM7,335 million (31 December 2024: RM7,151 million) and RM18 million (31 December 2024: RM15 million) respectively.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

11 FINANCING AND ADVANCES (continued)

(i) By type and Shariah contract (continued)

	<i>Sale based contracts</i>				<i>Lease based contracts</i>				<i>Equity based contracts</i>			Total RM'000
	Bai' Inah RM'000	Bithaman Ajil RM'000	Tawarruq RM'000	Murabahah RM'000	Bai' Dayn RM'000	Ijarah Thumma Al- Bai RM'000	Ijarah RM'000	Ijarah Muntahiah Bi Al-Tamlik RM'000	Musharakah Mutanaqisah RM'000	Mudharabah RM'000	Others RM'000	
31 December 2024												
At amortised cost and net of unearned income												
Cash line financing	98	1,492	-	-	-	-	628,913	-	-	-	3,318	633,821
Term Financing												
- House financing	-	2,379	382,024	-	-	-	-	1,338,039	43,576	-	-	1,766,018
- Syndicated term financing	-	-	3,237,374	-	-	-	-	-	-	66,139	-	3,303,513
- Hire purchase receivables	-	-	-	-	-	100,142	-	63,802	-	-	-	163,944
- Other term financing	20,297	23,120	6,073,843	-	-	-	-	615,137	54,798	-	-	6,787,195
Bills receivable	-	-	-	18,470	29,185	-	-	-	-	-	-	47,655
Trust receipts	-	-	-	306	-	-	-	-	-	-	-	306
Revolving credit	-	-	3,981,991	-	-	-	-	-	-	-	-	3,981,991
Claims on customers under acceptance credits	-	-	-	140,049	23,500	-	-	-	-	-	-	163,549
Other financing	-	-	237,215	-	-	-	-	-	-	-	-	237,215
Gross financing and advances	20,395	26,991	13,912,447	158,825	52,685	100,142	628,913	2,016,978	98,374	66,139	3,318	17,085,207
ECL allowance												(211,605)
Net financing and advances												<u>16,873,602</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

11 FINANCING AND ADVANCES (continued)

	30 September 2025 RM'000	31 December 2024 RM'000
(ii) By type of customer		
Domestic banking institutions	740,094	786,133
Domestic non-bank financial institutions	1,732,587	1,924,441
Domestic business enterprises		
- Small and medium enterprises	3,452,419	2,883,480
- Others	9,848,998	9,534,138
Individuals	2,368,722	1,828,626
Foreign entities	204,014	128,389
	18,346,834	17,085,207
(iii) By profit rate sensitivity		
Fixed rate		
- House financing	38,947	64,987
- Hire purchase receivables	66,846	100,142
- Other fixed rate financing	801,857	772,065
Variable rate		
- Base rate/Base financing rate plus/Standardised base rate	5,483,687	4,236,058
- Cost plus	11,944,200	11,884,723
- Other variable rate	11,297	27,232
	18,346,834	17,085,207
(iv) By sector		
Agriculture, hunting, forestry and fishing	495,571	586,549
Mining and quarrying	10,321	9,697
Manufacturing	1,256,588	1,030,136
Electricity, gas and water	326,852	225,945
Construction	574,838	597,419
Real estate	775,290	858,476
Wholesale & retail trade and restaurants & hotels	1,789,227	1,474,662
Transport, storage and communication	1,337,142	1,018,358
Finance, insurance and business services	8,520,288	8,611,395
Community, social and personal services	687,981	715,554
Household		
- Purchase of residential properties	2,388,301	1,772,065
- Purchase of non-residential properties	50,904	46,257
- Others	133,531	138,694
	18,346,834	17,085,207
(v) By geographical distribution determined based on where the credit risk resides		
Malaysia	18,143,756	16,957,772
Singapore	108,133	82,467
Other ASEAN countries	3,938	4,098
Rest of the world	91,007	40,870
	18,346,834	17,085,207
(vi) By residual contractual maturity		
Up to one year	4,210,381	4,280,864
Over one year to three years	4,566,445	4,910,028
Over three years to five years	3,189,769	2,917,995
Over five years	6,380,239	4,976,320
	18,346,834	17,085,207

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

12 IMPAIRED FINANCING AND ADVANCES

(a) Movements in credit-impaired financing and advances

	30 September 2025 RM'000	31 December 2024 RM'000
At 1 January	329,227	550,589
Impaired during the period/year	63,542	91,747
Reclassified as non credit-impaired	(104,204)	(83,958)
Amount recovered	(73,490)	(103,855)
Amount written off	(47,075)	(125,296)
At 30 September/31 December	168,000	329,227
Stage 3 ECL allowance	(45,285)	(108,153)
Net impaired financing and advances	122,715	221,074
	30 September 2025 RM'000	31 December 2024 RM'000

(i) By sector

Agriculture, hunting, forestry and fishing	1,528	1,568
Manufacturing	18,456	36,200
Electricity, gas and water	269	121
Construction	7,076	7,158
Real estate	802	3,890
Wholesale & retail trade and restaurants & hotels	51,858	174,698
Transport, storage and communication	4,612	5,408
Finance, insurance and business services	2,077	1,505
Community, social and personal services	338	104
Household		
- Purchase of residential properties	71,696	82,517
- Purchase of non-residential properties	1,476	3,526
- Others	7,812	12,532
	168,000	329,227

(ii) By geographical distribution determined based on where the credit risk resides

Malaysia	161,467	319,201
Singapore	2,918	2,821
Rest of the world	3,615	7,205
	168,000	329,227

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

12 IMPAIRED FINANCING AND ADVANCES (continued)

(b) Movements in ECL allowance for financing and advances

	30 September				31 December			
	<i>Non credit-impaired</i>		<i>Credit-impaired</i>	2025	<i>Non credit-impaired</i>		<i>Credit-impaired</i>	2024
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January	34,728	68,724	108,153	211,605	29,881	65,514	257,463	352,858
Transferred to Stage 1	42,028	(41,139)	(889)	-	38,381	(34,753)	(3,628)	-
Transferred to Stage 2	(7,517)	23,204	(15,687)	-	(8,653)	19,354	(10,701)	-
Transferred to Stage 3	(28)	(12,449)	12,477	-	(83)	(21,867)	21,950	-
New financial assets originated or purchased	25,402	18,620	-	44,022	24,081	22,102	-	46,183
Financial assets derecognised	(11,608)	(23,979)	(14,604)	(50,191)	(17,232)	(27,020)	(2,122)	(46,374)
Net remeasurement during the period/year	(36,260)	24,267	3,984	(8,009)	(31,576)	45,457	(26,900)	(13,019)
Written-off	-	-	(47,075)	(47,075)	-	-	(125,296)	(125,296)
Other movements	(77)	(8)	(1,074)	(1,159)	(71)	(63)	(2,613)	(2,747)
At 30 September/31 December	<u>46,668</u>	<u>57,240</u>	<u>45,285</u>	<u>149,193</u>	<u>34,728</u>	<u>68,724</u>	<u>108,153</u>	<u>211,605</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

13 DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

	30 September 2025			31 December 2024		
	Contract or underlying principal amount RM'000	Fair value		Contract or underlying principal amount RM'000	Fair value	
		Assets	Liabilities		Assets	Liabilities
		RM'000	RM'000		RM'000	RM'000
Trading						
Foreign exchange derivatives						
- Forwards	77,544	181	67	66,948	87	375
- Swaps	1,931,920	45,206	47,137	1,246,781	12,463	12,820
	<u>2,009,464</u>	<u>45,387</u>	<u>47,204</u>	<u>1,313,729</u>	<u>12,550</u>	<u>13,195</u>

14 OTHER ASSETS

	30 September 2025 RM'000	31 December 2024 RM'000
Profit receivable	23,359	33,947
Other receivables, deposits and prepayments	4,246	3,111
Amount due from immediate holding company	106,357	53,193
Amount due from ultimate holding company	241	226
Amount due from related company	4	3
	<u>134,207</u>	<u>90,480</u>

The amounts due from ultimate and immediate holding companies and related company are unsecured, profit-free and repayable on demand.

15 DEPOSITS FROM CUSTOMERS

	30 September 2025 RM'000	31 December 2024 RM'000
(a) By type of deposit		
Savings deposits		
- Tawarruq	537,835	558,421
- Qard	194,020	201,447
Demand deposits		
- Tawarruq	1,394,951	1,606,984
- Qard	4,178,886	4,154,768
Term deposits		
- Tawarruq	4,730,385	4,713,115
- Qard	13,977	1,311
Negotiable instruments of deposits		
- Tawarruq	625,473	-
Short-term deposits		
- Tawarruq	453,327	145,960
	<u>12,128,854</u>	<u>11,382,006</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

15 DEPOSITS FROM CUSTOMERS (continued)

	30 September 2025 RM'000	31 December 2024 RM'000
(b) By type of customer		
Government and statutory bodies	3,866	89,255
Non-bank financial institutions	1,152,267	1,122,859
Business enterprises	5,768,156	5,783,129
Individuals	3,929,364	3,879,471
Foreign entities	1,211,038	439,262
Others	64,163	68,030
	12,128,854	11,382,006
(c) By residual maturity for term deposits, negotiable instruments of deposits and short-term deposits		
Up to six months	5,449,262	3,912,294
Over six months to one year	364,652	941,299
Over one year to three years	7,047	4,093
Over three years to five years	2,201	2,700
	5,823,162	4,860,386

16 INVESTMENT ACCOUNTS DUE TO DESIGNATED FINANCIAL INSTITUTION

	30 September 2025 RM'000	31 December 2024 RM'000
Mudharabah RPSIA		
Licensed bank	7,824,555	7,736,685

The placements are from its immediate holding company, OCBC Bank (Malaysia) Berhad and are used to fund specific financing (Note 11). These deposits follow the principle of Mudharabah which states that profits will be shared with the Bank as mudarib and losses borne by depositors.

17 DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 September 2025 RM'000	31 December 2024 RM'000
Non-Mudharabah		
Licensed banks	252,869	283,925
Other financial institutions	20,372	5,265
	273,241	289,190

Included in the above are deposits and placements of its immediate holding company of RM236 million (2024: RM241 million), which are unsecured and profit-bearing.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

18 OTHER LIABILITIES

		30 September 2025 RM'000	31 December 2024 RM'000
Profit payable		53,030	56,187
Other payables and accruals		58,160	52,461
Amount due to immediate holding company	(a)	15,209	20,749
Amount due to ultimate holding company	(a)	742	1,097
Equity compensation benefits		515	686
Lease liabilities		1,659	2,787
ECL Allowances for financing commitments and financial guarantees	(b)	43,106	48,682
		172,421	182,649

(a) The amount due to ultimate and immediate holding companies are unsecured, profit free and repayable on demand.

(b) The movements in ECL Stage 1, 2 and 3 allowances for financing commitments and financial guarantees are as follows:

30 September 2025

	<i>Non credit-impaired</i>		<i>Credit-impaired</i>	
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January	17,432	15,023	16,227	48,682
Transferred to Stage 1	8,871	(8,871)	-	-
Transferred to Stage 2	(484)	484	-	-
New financial assets originated or purchased	5,538	672	-	6,210
Financial assets derecognised	(2,299)	(9,660)	(1,173)	(13,132)
Net remeasurement during the period	(9,741)	11,403	-	1,662
Other movements	(134)	(125)	(57)	(316)
	19,183	8,926	14,997	43,106

31 December 2024

	<i>Non credit-impaired</i>		<i>Credit-impaired</i>	
	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January	13,028	17,829	15,154	46,011
Transferred to Stage 1	7,149	(7,149)	-	-
Transferred to Stage 2	(2,330)	2,330	-	-
Transferred to Stage 3	(2)	(385)	387	-
New financial assets originated or purchased	10,816	2,217	-	13,033
Financial assets derecognised	(5,435)	(7,349)	-	(12,784)
Net remeasurement during the year	(5,674)	7,545	611	2,482
Other movements	(120)	(15)	75	(60)
	17,432	15,023	16,227	48,682

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

19 INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS

	Quarter Ended		Year-To-Date Ended	
	30 September	30 September	30 September	30 September
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of:				
(i) Term deposits	55,577	55,878	174,262	153,594
(ii) Other deposits	89,705	80,764	253,619	254,013
	<u>145,282</u>	<u>136,642</u>	<u>427,881</u>	<u>407,607</u>
(i) Income derived from investment of term deposits				
Finance income and hibah				
Financing and advances				
- Finance income earned other than recoveries	42,298	41,017	129,047	113,911
- Recoveries from credit-impaired financing	657	1,344	2,374	3,251
- Discount unwind from credit-impaired financing	101	206	358	630
Financial assets at FVTPL	-	8	-	42
Financial investments at FVOCI	12,055	11,889	40,450	31,146
Deposits and placements with banks and other financial institutions	<u>346</u>	<u>843</u>	<u>1,028</u>	<u>3,437</u>
	<u>55,457</u>	<u>55,307</u>	<u>173,257</u>	<u>152,417</u>
Other trading income				
Net loss on financial assets at FVTPL	-	(50)	-	(50)
Unrealised loss on financial assets at FVTPL	-	(4)	-	(9)
Other operating income				
Net gain from sale of financial investments at FVOCI	45	400	802	579
Others	<u>75</u>	<u>225</u>	<u>203</u>	<u>657</u>
	<u>55,577</u>	<u>55,878</u>	<u>174,262</u>	<u>153,594</u>
(ii) Income derived from investment of other deposits				
Finance income and hibah				
Financing and advances				
- Finance income earned other than recoveries	68,272	59,287	188,085	188,531
- Recoveries from credit-impaired financing	1,059	1,943	3,428	5,324
- Discount unwind from credit-impaired financing	163	298	517	1,047
Financial assets at FVTPL	-	11	-	72
Financial investments at FVOCI	19,458	17,184	58,665	51,371
Deposits and placements with banks and other financial institutions	<u>559</u>	<u>1,218</u>	<u>1,500</u>	<u>5,775</u>
	<u>89,511</u>	<u>79,941</u>	<u>252,195</u>	<u>252,120</u>
Other trading income				
Net loss on financial assets at FVTPL	-	(73)	-	(73)
Unrealised loss on financial assets at FVTPL	-	(6)	-	(15)
Other operating income				
Net gain from sale of financial investments at FVOCI	72	578	1,127	891
Others	<u>122</u>	<u>324</u>	<u>297</u>	<u>1,090</u>
	<u>89,705</u>	<u>80,764</u>	<u>253,619</u>	<u>254,013</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

20 INCOME DERIVED FROM INVESTMENT OF INVESTMENT ACCOUNT FUNDS

	Quarter Ended		Year-To-Date Ended	
	30 September 2025 RM'000	30 September 2024 RM'000	30 September 2025 RM'000	30 September 2024 RM'000
Finance income and hibah				
Financing and advances				
- Finance income earned other than recoveries	85,782	71,610	255,118	210,505
Deposits and placements with banks and other financial institutions	2,033	1,711	7,971	4,054
Financial investments at FVOCI	3,292	193	7,406	193
	<u>91,107</u>	<u>73,514</u>	<u>270,495</u>	<u>214,752</u>

21 INCOME DERIVED FROM INVESTMENT OF SHAREHOLDER'S FUND

	Quarter Ended		Year-To-Date Ended	
	30 September 2025 RM'000	30 September 2024 RM'000	30 September 2025 RM'000	30 September 2024 RM'000
Finance income and hibah				
Financing and advances				
- Finance income earned other than recoveries	25,021	21,971	72,100	63,187
- Recoveries from credit-impaired financing	388	720	1,318	1,798
- Discount unwind from credit-impaired financing	60	111	199	350
Financial assets at FVTPL	-	4	-	24
Financial investments at FVOCI	7,132	6,368	22,534	17,261
Deposits and placements with banks and other financial institutions	205	452	575	1,914
	<u>32,806</u>	<u>29,626</u>	<u>96,726</u>	<u>84,534</u>
Other trading income				
Net loss on financial assets at FVTPL	-	(27)	-	(27)
Unrealised loss on financial assets at FVTPL	-	(2)	-	(5)
Other operating income				
Commission	3,627	3,114	13,784	14,199
Service charges and fees	20,810	4,128	26,277	13,001
Shared services income received from immediate holding company	868	976	2,611	3,050
Shared services income received from ultimate holding company	13	32	39	96
Net gain from sale of financial investments at FVOCI	26	214	444	315
Others	45	120	113	364
Other trading income				
Net trading gain/(loss)				
- Foreign currency	2,097	(4,484)	(7,660)	(2,374)
- Derivatives	7,414	7,316	31,035	17,955
- Revaluation of derivatives	(886)	3,516	(803)	2,666
	<u>66,820</u>	<u>44,529</u>	<u>162,566</u>	<u>133,774</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

22 IMPAIRMENT ALLOWANCE AND PROVISIONS

	Quarter Ended		Year-To-Date Ended	
	30 September 2025 RM'000	30 September 2024 RM'000	30 September 2025 RM'000	30 September 2024 RM'000
Financing, advances and commitments				
Stage 1 and Stage 2 ECL (write back)/net charge during the period	(1,846)	12,044	(3,890)	15,752
Stage 3 ECL net writeback during the period				
- Made during the period	15,892	25,352	30,277	45,183
- Written back	(24,138)	(8,662)	(46,169)	(65,554)
Credit-impaired financing recovered	(38,377)	(5,943)	(48,928)	(18,859)
Recovery from RPSIA holder*	-	3,337	-	14,796
Financial investments at FVOCI				
Stage 1 and Stage 2 ECL net charge/(write back) during the period	27	(6)	(47)	45
Other assets				
Stage 1 ECL net charge/(writeback) during the period	2	9	(2)	13
	<u>(48,440)</u>	<u>26,131</u>	<u>(68,759)</u>	<u>(8,624)</u>

* The RPSIA holder is the Bank's immediate holding company (Note 16).

23 INCOME ATTRIBUTABLE TO DEPOSITORS AND OTHERS

	Quarter Ended		Year-To-Date Ended	
	30 September 2025 RM'000	30 September 2024 RM'000	30 September 2025 RM'000	30 September 2024 RM'000
Deposits from customers				
- Non-Mudharabah	63,653	59,430	185,566	181,818
Deposits and placements of banks and other financial institutions				
- Non-Mudharabah	4,638	4,737	15,965	12,281
Lease liabilities	16	26	56	76
	<u>68,307</u>	<u>64,193</u>	<u>201,587</u>	<u>194,175</u>

24 INCOME ATTRIBUTABLE TO INVESTMENT ACCOUNT HOLDER

	Quarter Ended		Year-To-Date Ended	
	30 September 2025 RM'000	30 September 2024 RM'000	30 September 2025 RM'000	30 September 2024 RM'000
Investment accounts due to designated financial institution				
- Mudharabah	64,105	51,461	190,169	150,327

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

25 OPERATING EXPENSES

	Quarter Ended		Year-To-Date Ended	
	30 September 2025 RM'000	30 September 2024 RM'000	30 September 2025 RM'000	30 September 2024 RM'000
Personnel expenses				
Wages, salaries and bonus	4,229	4,964	11,987	13,045
Employees Provident Fund contributions	617	659	1,910	1,991
Share-based costs	114	84	233	256
Others	924	707	2,536	2,398
	<u>5,884</u>	<u>6,414</u>	<u>16,666</u>	<u>17,690</u>
Establishment expenses				
Depreciation of equipment	224	246	710	733
Depreciation of ROU assets	372	371	1,117	1,141
Rental of premises	27	15	66	16
Repair and maintenance	274	169	562	379
Information technology costs	138	280	395	532
Hire of equipment	25	15	68	58
Others	537	716	1,575	1,444
	<u>1,597</u>	<u>1,812</u>	<u>4,493</u>	<u>4,303</u>
Marketing expenses				
Advertising and business promotion	124	48	241	168
Transport and travelling	14	27	43	67
Others	72	104	159	108
	<u>210</u>	<u>179</u>	<u>443</u>	<u>343</u>
General administrative expenses				
Shared service fees to immediate holding company	41,723	39,144	124,267	109,588
IT and transaction processing fees to related companies	5,306	5,710	16,052	16,923
Others	3,670	4,305	11,385	11,166
	<u>50,699</u>	<u>49,159</u>	<u>151,704</u>	<u>137,677</u>
Total operating expenses	<u>58,390</u>	<u>57,564</u>	<u>173,306</u>	<u>160,013</u>

26 INCOME TAX EXPENSE

	Quarter Ended		Year-To-Date Ended	
	30 September 2025 RM'000	30 September 2024 RM'000	30 September 2025 RM'000	30 September 2024 RM'000
Malaysian income tax				
- Current period charge	40,655	15,872	90,508	64,518
- Prior periods	-	-	-	256
Deferred tax				
- Origination and reversal of temporary differences	(1,947)	(2,554)	(2,702)	(2,022)
	<u>38,708</u>	<u>13,318</u>	<u>87,806</u>	<u>62,752</u>

27 CAPITAL COMMITMENTS

	30 September 2025 RM'000	31 December 2024 RM'000
Capital expenditure in respect of equipment		
- Contracted but not provided for	660	43

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

28 COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. There were no material losses anticipated as a result of these transactions.

The credit equivalent and risk weighted amounts were computed using the credit conversion factors and risk weights as defined by BNM for regulatory capital adequacy purposes.

	30 September 2025			31 December 2024		
	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
Transaction-related contingent items	437,855	226,908	153,519	408,254	208,789	146,611
Short-term self-liquidating trade-related contingencies	14,278	4,646	1,708	74,170	15,241	8,202
Forward asset purchases	30,714	30,714	-	-	-	-
Lending of banks' securities or the posting of securities as collateral by banks	513,658	513,658	-	410,284	410,284	-
Foreign exchange related contracts						
- Up to one year	961,934	10,572	997	234,735	289	161
- Over one year to five years	1,047,530	139,383	37,643	1,078,994	109,766	32,523
Formal standby facilities and credit lines						
- Original maturity up to one year	6,000	4,500	3,269	819	614	270
- Original maturity over one year	1,252,576	1,041,270	725,166	833,361	671,809	434,905
Other unconditionally cancellable commitments	4,069,553	336,856	61,727	2,741,380	256,328	36,993
	8,334,098	2,308,507	984,029	5,781,997	1,673,120	659,665

Note: The fair value of derivatives have been recognised as derivative financial assets and liabilities in Note 13.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

29 FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Fair value hierarchy of financial instruments

The Bank measures the fair value of financial assets and liabilities using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable market data either directly (ie as prices) or indirectly (ie derived from observable market data). The valuation techniques that use market parameters as inputs include, but are not limited to, yield curves, volatilities and foreign exchange rates; and
- Level 3: Inputs for the valuation that are not based on observable market data.

(b) Financial instruments carried at fair value

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
30 September 2025				
Financial assets at fair value				
Financial investments at FVOCI	3,535,834	1,241,342	-	4,777,176
Derivative financial assets	65	45,321	1	45,387
	<u>3,535,899</u>	<u>1,286,663</u>	<u>1</u>	<u>4,822,563</u>
Financial liabilities at fair value				
Derivative financial liabilities	41	47,151	12	47,204
	<u>41</u>	<u>47,151</u>	<u>12</u>	<u>47,204</u>
31 December 2024				
Financial assets at fair value				
Financial investments at FVOCI	3,204,520	1,192,004	-	4,396,524
Derivative financial assets	44	12,474	32	12,550
	<u>3,204,564</u>	<u>1,204,478</u>	<u>32</u>	<u>4,409,074</u>
Financial liabilities at fair value				
Derivative financial liabilities	9	12,927	259	13,195
	<u>9</u>	<u>12,927</u>	<u>259</u>	<u>13,195</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

29 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

(b) Financial instruments carried at fair value (continued)

Movements in the Bank's Level 3 financial assets and liabilities are as follows:

	30 September 2025 RM'000	31 December 2024 RM'000
Financial assets at fair value		
At 1 January	32	3
Net unrealised (loss)/gain recognised in profit or loss	(31)	29
At 30 September/31 December	<u>1</u>	<u>32</u>
Financial liabilities at fair value		
At 1 January	259	-
Net unrealised (gain)/loss recognised in profit or loss	(247)	259
At 30 September/31 December	<u>12</u>	<u>259</u>

The following table shows the valuation techniques used in the determination of fair value within Level 3, as well as the unobservable inputs used in the valuation model:

Bank	Fair value		Classification	Valuation technique	Unobservable input
	30 September 2025 RM'000	31 December 2024 RM'000			
Asset					
Derivative financial assets	<u>1</u>	<u>32</u>	Non-hedging	Option pricing model	Standard deviation
Liability					
Derivative financial liabilities	<u>12</u>	<u>259</u>	Non-hedging	Option pricing model	Standard deviation

The Bank considers that any reasonably possible changes to the unobservable input will not result in a significant financial impact.

30 CAPITAL ADEQUACY

The capital ratios are computed in accordance with the requirements of BNM's Capital Adequacy Framework for Islamic Banks (Capital Components).

	30 September 2025 RM'000	31 December 2024 RM'000
Common Equity Tier 1 ("CET 1") capital		
Paid-up ordinary share capital	555,000	555,000
Retained earnings	2,020,986	1,866,317
Other reserves	108,165	92,328
Regulatory adjustment	<u>(128,359)</u>	<u>(124,245)</u>
	<u>2,555,792</u>	<u>2,389,400</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 30 SEPTEMBER 2025

30 CAPITAL ADEQUACY (continued)

	30 September 2025 RM'000	31 December 2024 RM'000
Tier 2 capital		
Stage 1 and 2 ECL and qualifying regulatory reserves under the Standardised Approach	1,444	1,884
Surplus eligible provisions over expected losses	50,217	43,400
	<u>51,661</u>	<u>45,284</u>
Capital base	<u>2,607,453</u>	<u>2,434,684</u>
	30 September 2025	31 December 2024
Before the effects of PSIA		
CET 1/Tier 1 capital ratio	19.096%	19.559%
Total capital ratio	<u>19.482%</u>	<u>19.929%</u>
After the effects of PSIA		
CET 1/Tier 1 capital ratio	27.415%	28.540%
Total capital ratio	<u>27.969%</u>	<u>29.081%</u>

In accordance with BNM's Guidelines on the Recognition and Measurement of Profit Sharing Investment Account ("PSIA") as Risk Absorbent, the credit and market risks of the assets funded by the RPSIA which qualify as risk absorbent are excluded from the total capital ratio calculation. As at 30 September 2025, credit risks relating to RPSIA assets excluded from the total capital ratio calculation amounted to RM4,061 million (31 December 2024: RM3,844 million).

Breakdown of risk-weighted assets ("RWA") in the various categories of risk-weights:

	30 September 2025 RM'000	31 December 2024 RM'000
Total RWA for credit risk	8,485,142	7,384,084
Total RWA for market risk	43,840	4,349
Total RWA for operational risk	793,742	983,595
	<u>9,322,724</u>	<u>8,372,028</u>