

Industrial and Commercial Bank of China (Malaysia) Berhad

(Registration No. 201001000001 (839839 M))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
30 JUNE 2025**

Industrial and Commercial Bank of China (Malaysia) Berhad

(Registration No. 201001000001 (839839 M))

(Incorporated in Malaysia)

MANAGEMENT'S CERTIFICATION

I hereby certify that the attached unaudited condensed financial statements for the half year ended 30 June 2025 have been prepared from the Bank's accounting records and that they are in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and the Guidelines on Financial Reporting for Financial Institutions (BNM/RH/PD 032-13) issued by Bank Negara Malaysia ("BNM") on 29 April 2022.

Geng Hao
Managing Director/Chief Executive Officer

Date: 28 July 2025

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Industrial and Commercial Bank of China (Malaysia) Berhad

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(Incorporated in Malaysia)

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	30 Jun 2025 RM'000	31 Dec 2024 RM'000
ASSETS			
Cash and short-term funds	10	415,791	611,638
Deposits and placements with banks and other financial institutions	11	398,891	300,947
Financial investments measured at fair value through other comprehensive income ("FVOCI")	12	1,127,886	1,095,518
Financial investments measured at amortised cost	13	261,579	164,224
Loans, advances and financing	14	2,944,985	3,032,945
Derivative financial assets	15	24,638	32,603
Other assets	16	34,255	24,096
Statutory deposits with Bank Negara Malaysia		14,545	30,936
Tax recoverable		7,180	7,133
Property and equipment		4,008	3,439
Right-of-use assets		5,897	8,002
Intangible asset		-	-
Deferred tax assets		8,318	12,196
TOTAL ASSETS		5,247,973	5,323,677
LIABILITIES			
Deposits from customers	17	2,802,326	2,666,948
Deposits and placements of banks and other financial institutions	18	835,300	1,123,377
Derivative financial liabilities	15	14,383	22,170
Other liabilities	19	83,886	50,774
Lease liabilities		5,823	7,899
Provision for commitments and contingencies	20	4,945	3,752
Provision for taxation		494	298
TOTAL LIABILITIES		3,747,157	3,875,218
EQUITY			
Share capital		832,609	832,609
Reserves		668,207	615,850
EQUITY ATTRIBUTABLE TO OWNER OF THE BANK		1,500,816	1,448,459
TOTAL LIABILITIES AND EQUITY		5,247,973	5,323,677
COMMITMENTS AND CONTINGENCIES	27	3,862,717	3,570,917

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 accounting policies and explanatory notes, which form an integral part of the financial statements.

The financial statements were approved by the Board of Directors on 28 July 2025.

**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD 30 JUNE 2025**

		2nd quarter ended		Year-To-Date ended	
	Note	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
		RM'000	RM'000	RM'000	RM'000
Interest income	21	56,411	59,275	115,342	118,074
Interest expense	21	(23,996)	(23,840)	(49,665)	(48,254)
Net interest income	21	32,415	35,435	65,677	69,820
Net non-interest income	22	15,115	9,490	22,743	16,576
Net operating income		47,530	44,925	88,420	86,396
Other operating expenses	23	(18,365)	(19,826)	(35,563)	(36,981)
Operating profit		29,165	25,099	52,857	49,415
Write-back of impairment on loans, advances and financing	24	1,123	219	5,937	740
(Allowance for)/Write-back of impairment on other financial assets	25	(548)	352	(544)	857
Profit before taxation		29,740	25,670	58,250	51,012
Tax expense		(6,145)	(5,193)	(12,653)	(10,941)
Profit for the financial period		23,595	20,477	45,597	40,071
Other comprehensive income/(expense), net of tax					
Items that are or may be reclassified subsequently (from)/to profit or loss					
Foreign currency translation reserve					
- Currency translation differences in respect of foreign operations		(2,669)	(4)	(3,123)	1,561
Fair value reserve					
- Changes in fair value		11,338	(314)	13,004	(1,462)
- Deferred tax adjustment		(2,721)	75	(3,121)	351
		8,617	(239)	9,883	(1,111)
Total other comprehensive income/ (expense) for the financial period		5,948	(243)	6,760	450
Total comprehensive income for the financial period		29,542	20,234	52,357	40,521
Basic earnings per ordinary share (sen):		2.83	2.46	5.48	4.81

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 accounting policies and explanatory notes, which form an integral part of the financial statements.

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UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025

	Non-Distributable		Distributable		
	Share capital	Foreign Currency Translation Reserve	Fair Value Reserve	Regulatory Reserve	Retained earnings
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2025	832,609	4,435	5,665	17,644	588,106
Total comprehensive (expense)/income for the financial period					
Other comprehensive (expense)/income, net of tax					
Items that are or may be reclassified subsequently (from)/to profit or loss					
Foreign currency translation reserve					
- Currency translation differences in respect of foreign operations	-	(3,123)	-	-	-
Fair value reserve					
- Changes in fair value	-	-	13,004	-	-
- Deferred tax adjustment	-	-	(3,121)	-	-
	-	-	9,883	-	-
Total other comprehensive (expense)/income for the financial period	-	(3,123)	9,883	-	-
Profit for the financial period	-	-	-	-	45,597
Total comprehensive (expense)/income for the financial period	-	(3,123)	9,883	-	45,597
At 30 June 2025	832,609	1,312	15,548	17,644	633,703

1,500,816

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UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025 (continued)

	Non-Distributable			Distributable		
	Share capital	Foreign Currency Translation Reserve	Fair Value Reserve	Regulatory Reserve	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	832,609	5,571	6,495	17,644	515,304	1,377,623
Total comprehensive income/(expense) for the financial period						
Other comprehensive income/(expense), net of tax						
Items that are or may be reclassified subsequently to/(from) profit or loss						
Foreign currency translation reserve						
- Currency translation differences in respect of foreign operations	-	1,561	-	-	-	1,561
Fair value reserve						
- Changes in fair value	-	-	(1,462)	-	-	(1,462)
- Deferred tax adjustment	-	-	351	-	-	351
	-	-	(1,111)	-	-	(1,111)
Total other comprehensive income/(expense) for the financial period	-	1,561	(1,111)	-	-	450
Profit for the financial period	-	-	-	-	40,071	40,071
Total comprehensive income/(expense) for the financial period	-	1,561	(1,111)	-	40,071	40,521
At 30 June 2024	832,609	7,132	5,384	17,644	555,375	1,418,144

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 accounting policies and explanatory notes, which form an integral part of the financial statements.

The financial statements were approved by the Board of Directors on 28 July 2025.

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE
FINANCIAL PERIOD ENDED 30 JUNE 2025**

	Note	30 Jun 2025 RM'000	30 Jun 2024 RM'000
Cash flows from/(used in) operating activities			
Profit before taxation		58,250	51,012
Adjustments for:			
Depreciation of property and equipment	23	600	734
Depreciation of right-of-use assets	23	1,958	2,209
Interest expense on lease liabilities	23	100	141
Gain on derecognition of right-of-use assets	22 (iii)	3	-
Write-back of impairment on loans, advances and financing	24	(5,937)	(740)
Allowance for/(Write-back of) impairment on other financial assets	25	544	(857)
Net unrealised losses arising from derivative trading	22 (ii)	179	138
Transfer (from)/to foreign currency translation reserve		(3,123)	1,561
Accretion of discounts net of amortisation of premiums of financial investments measured at FVOCI		669	927
Accretion of discounts net of amortisation of premiums of financial investments measured at amortised cost		(284)	1,298
Operating profit before working capital changes		52,959	56,423
Changes in operating assets			
Deposits and placements with banks and other financial institutions		(47,975)	76,548
Loans, advances and financing		95,115	(49,484)
Other assets		(10,159)	(9,466)
Statutory deposits with Bank Negara Malaysia		16,391	(5,577)
Changes in operating liabilities			
Deposits from customers		135,378	926,509
Deposits and placements of banks and other financial institutions		(288,077)	(167,125)
Other liabilities		33,112	21,435
Provision for credit commitments and contingencies		(25)	3
Cash from operations		(13,281)	849,266
Income taxes paid		(11,981)	(11,038)
Income taxes refund		233	-
Net cash (used in)/from operating activities		(25,029)	838,228
Cash flows used in investing activities			
Purchase of property and equipment		(1,169)	(664)
Net purchase of financial investments measured at FVOCI		(20,033)	(540,158)
Net (purchase of)/proceeds from financial investments measured at amortised cost		(97,080)	220,000
Net cash used in investing activities		(118,282)	(320,822)
Cash flows used in financing activity			
Net payment of lease liabilities		(2,032)	(2,269)
Net cash used in financing activity		(2,032)	(2,269)

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE
FINANCIAL PERIOD ENDED 30 JUNE 2025 (continued)**

	Note	30 Jun 2025 RM'000	30 Jun 2024 RM'000
Net (decrease)/increase in cash and cash equivalents		(145,343)	515,137
Cash and cash equivalents at beginning of the financial period		576,945	555,932
		431,602	1,071,069
Add: (Allowance for)/Write-back of expected credit loss for the financial period	10,11	(533)	382
Cash and cash equivalents at end of the financial period		431,069	1,071,451
Cash and cash equivalents comprise:			
Cash and short-term funds	10	415,791	1,079,059
Deposits and placements with banks and other financial institutions	11	398,891	68,291
		314,682	1,147,350
Less: Deposits with original maturity more than 3 months		(383,613)	(75,899)
		431,069	1,071,451

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 accounting policies and explanatory notes, which form an integral part of the financial statements.

The financial statements were approved by the Board of Directors on 28 July 2025.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025**1. General information**

Industrial and Commercial Bank of China (Malaysia) Berhad is principally engaged in the provision of banking and other related financial services.

There were no significant changes in these activities during the financial period.

2. Basis of preparation

The unaudited condensed interim financial statements for the half year ended 30 June 2025 have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and the Guidelines on Financial Reporting for Financial Institutions (BNM/RH/PD 032-13) issued by Bank Negara Malaysia (“BNM”) on 29 April 2022.

The unaudited condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Bank as at and for the financial year ended 31 December 2024. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Bank since the financial year ended 31 December 2024.

All 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 audited annual financial statements for the year ended 31 December 2024, except for the adoption of the following Amendments by the Bank from 1 January 2025 as follows:

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2025

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

The Bank has not applied the following MFRSs and amendments that have been issued by the MASB but are neither effective yet nor early adopted by the Bank:

Annual improvements and amendments to MFRSs effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 7 – *Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to MFRS 7 – *Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity*
- Amendments to MFRS 9 – *Financial Instruments - Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to MFRS 9 – *Financial Instruments - Contracts Referencing Nature-dependent Electricity*
- Annual improvements to MFRS Accounting Standards - Volume 11

2. Basis of preparation (continued)

MFRSs effective for annual periods beginning on or after 1 January 2027

- MFRS 18 – *Presentation and Disclosure in Financial Statements*
- MFRS 19 – *Subsidiaries without Public Accountability: Disclosures*

Effective date of these Amendments to the Standards has been deferred, pending further announcement

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

The Bank expects that the adoption of the above standards is not expected to have a significant financial impact on the financial statements in the period of initial application.

3. Auditors' Report on Preceding Annual Financial Statements

The audit report on the audited annual financial statements for the financial year ended 31 December 2024 was not subject to any qualification.

4. Seasonality or Cyclical Factors

The business operations of the Bank are not subject to material seasonal or cyclical fluctuations.

5. Unusual Items due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Bank for the half year ended 30 June 2025.

6. Changes in Estimates

There were no material changes in estimates of amounts reported in the prior financial year that have a material effect on the financial results and position of the Bank for the half year ended 30 June 2025.

7. Issue of Shares and Debentures

There was no issuance of shares and debentures during the half year ended 30 June 2025.

8. Dividend Paid

No dividend was paid during the half year ended 30 June 2025.

9. Significant Events

There were no material events subsequent to the statement of financial position date that require disclosure in or adjustments to the unaudited condensed interim financial statements.

10. Cash and short-term funds

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Cash and balances with banks and other financial institutions	121,150	74,040
Money at call and deposit placements maturing within one month	294,851	537,850
	<u>416,001</u>	<u>611,890</u>
Less: Allowance for expected credit loss	(210)	(252)
	<u>415,791</u>	<u>611,638</u>

An analysis of changes in the allowance for expected credit loss is as follows:-

	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
Allowance for expected credit loss				
At 1 January 2025	252	-	-	252
New assets originated	14	-	-	14
Assets derecognised or repaid	(55)	-	-	(55)
Foreign exchange adjustments	(1)	-	-	(1)
At 30 June 2025	<u>210</u>	<u>-</u>	<u>-</u>	<u>210</u>
At 1 January 2024	256	-	-	256
New assets originated	18	-	-	18
Assets derecognised or repaid	(88)	-	-	(88)
Foreign exchange adjustments	66	-	-	66
At 31 December 2024	<u>252</u>	<u>-</u>	<u>-</u>	<u>252</u>

11. Deposits and placements with banks and other financial institutions

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Licensed Malaysian banks	326,017	271,199
Foreign banks	73,849	30,148
	<u>399,866</u>	<u>301,347</u>
Less: Allowance for expected credit loss	(975)	(400)
	<u>398,891</u>	<u>300,947</u>

An analysis of changes in the allowance for expected credit loss is as follows:-

	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
Allowance for expected credit loss				
At 1 January 2025	400	-	-	400
New assets originated	575	-	-	575
At 30 June 2025	<u>975</u>	<u>-</u>	<u>-</u>	<u>975</u>
At 1 January 2024	408	-	-	408
Assets derecognised or repaid	(8)	-	-	(8)
At 31 December 2024	<u>400</u>	<u>-</u>	<u>-</u>	<u>400</u>

12. Financial investments measured at fair value through other comprehensive income**(i) By type**

	30 Jun 2025 RM'000	31 Dec 2024 RM'000
Malaysian Government Securities	309,728	306,635
Malaysian Government Investment Issues	818,158	788,883
	<u>1,127,886</u>	<u>1,095,518</u>

(ii) By maturity structure

	30 Jun 2025 RM'000	31 Dec 2024 RM'000
Within one year	13,087	-
More than one year to three years	271,226	242,760
More than three years to five years	711,162	711,903
More than five years	132,411	140,855
	<u>1,127,886</u>	<u>1,095,518</u>

(iii) Movement of gross carrying amount and the allowance for expected credit loss to other comprehensive income

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Gross carrying amount				
At 1 January 2025	1,095,518	-	-	1,095,518
New assets originated	20,495	-	-	20,495
Assets derecognised or repaid	(1,131)	-	-	(1,131)
Changes in fair value	13,004	-	-	13,004
At 30 June 2025	<u>1,127,886</u>	<u>-</u>	<u>-</u>	<u>1,127,886</u>
At 1 January 2024	683,548	-	-	683,548
New assets originated or purchased	680,141	-	-	680,141
Assets derecognised or repaid	(267,079)	-	-	(267,079)
Changes in fair value	(1,092)	-	-	(1,092)
At 31 December 2024	<u>1,095,518</u>	<u>-</u>	<u>-</u>	<u>1,095,518</u>
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Allowance for expected credit loss				
At 1 January/30 June 2025	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 1 January/30 June 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The carrying amounts of financial investments measured at FVOCI are their respective fair values. Accordingly, the recognition of allowance for expected credit loss does not affect the carrying amount of those assets, but is reflected as a debit to profit or loss and credit to other comprehensive income.

13. Financial investments measured at amortised cost**(i) By type**

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Corporate bonds	182,386	105,010
Other debt securities		
- Cagamas bonds	80,022	60,035
	<u>262,408</u>	<u>165,045</u>
Less: Allowance for expected credit loss	(829)	(821)
	<u>261,579</u>	<u>164,224</u>

(ii) By maturity structure

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Within one year	60,069	70,010
More than one year to three years	172,346	95,035
More than three year to five years	29,993	-
	<u>262,408</u>	<u>165,045</u>

(iii) Movement of gross carrying amount and allowance for expected credit loss to profit or loss

	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
Gross carrying amount				
At 1 January 2025	165,045	-	-	165,045
New assets originated or purchased	162,393	-	-	162,393
Assets derecognised or repaid	(65,029)	-	-	(65,029)
Foreign exchange adjustments	(1)	-	-	(1)
At 30 June 2025	<u>262,408</u>	<u>-</u>	<u>-</u>	<u>262,408</u>
At 1 January 2024	406,372	-	-	406,372
Assets derecognised or repaid	(241,327)	-	-	(241,327)
At 31 December 2024	<u>165,045</u>	<u>-</u>	<u>-</u>	<u>165,045</u>

	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
Allowance for credit loss				
At 1 January 2025	821	-	-	821
New assets originated or purchased	784	-	-	784
Assets derecognised or repaid	(774)	-	-	(744)
Foreign exchange adjustments	(1)	-	-	(1)
At 30 June 2025	<u>829</u>	<u>-</u>	<u>-</u>	<u>829</u>
At 1 January 2024	1,265	-	-	1,265
Assets derecognised or repaid	(505)	-	-	(505)
Changes due to change in credit risk	4	-	-	4
Changes in model/risk parameter	57	-	-	57
At 31 December 2024	<u>821</u>	<u>-</u>	<u>-</u>	<u>821</u>

14. Loans, advances and financing**(i) By type**

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Overdrafts	3,982	4,399
Term loans		
- Housing loans	119,551	119,438
- Syndicated term loans	810,473	805,381
- Other term loans	626,935	697,502
Bills receivable	74,866	170,240
Accounts receivable purchased	53,406	70,230
Revolving credits	1,180,986	1,143,185
Bankers' acceptances	121,015	75,882
Staff loans	1,658	1,718
Credit card loans	2,728	3,240
	<hr/>	<hr/>
Gross loans, advances and financing	2,995,600	3,091,215
Less: Allowance for expected credit loss		
- Stage 1 (12-month ECL)	(22,808)	(24,579)
- Stage 2 (Lifetime ECL - non-credit impaired)	(26,599)	(32,447)
- Stage 3 (Lifetime ECL - credit impaired)	(1,208)	(1,244)
	<hr/>	<hr/>
	(50,615)	(58,270)
	<hr/>	<hr/>
Net loans, advances and financing	2,944,985	3,032,945

(ii) By type of customer

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Domestic non-bank financial institutions		
- Others	315,887	282,440
Domestic business enterprises		
- Small medium enterprises	79,679	112,781
- Others	1,703,716	1,882,666
Individuals	38,417	38,912
Foreign entities	857,901	774,416
	<hr/>	<hr/>
	2,995,600	3,091,215

(iii) By interest rate sensitivity

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Fixed rate loan	210,538	219,699
Variable rate		
- Base rate/base lending rate plus	95,727	95,906
- Cost plus	2,635,533	2,719,986
- Other variable rates	53,802	55,624
	<hr/>	<hr/>
	2,995,600	3,091,215

14. Loans, advances and financing (continued)**(iv) By sector**

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Agriculture, forestry and fishing	7,515	5,013
Manufacturing	542,657	707,793
Electricity, gas and water	137,513	151,976
Construction	116,212	150,314
Mining and quarrying	391,920	217,169
Real estate activities	492,624	461,030
Wholesale and retail trade; repair of motor vehicles and motorcycles	299,346	276,899
Information and communication	4,916	8,456
Finance and insurance	482,963	590,000
Education	197,279	198,203
Household	127,884	128,731
Transportation and storage	174,604	175,394
Administrative and support services	-	-
Accommodation and food services	20,167	20,237
	<u>2,995,600</u>	<u>3,091,215</u>

(v) By purpose

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Purchase of properties		
- Non-residential	440,698	463,708
- Residential	121,033	120,967
Construction	143,593	136,022
Credit card	2,728	3,240
Personal use	297	342
Working capital	1,891,757	1,850,466
Other purpose	395,494	516,470
	<u>2,995,600</u>	<u>3,091,215</u>

(vi) By geographical distribution

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Within Malaysia	2,226,019	2,405,406
Outside Malaysia	769,581	685,809
	<u>2,995,600</u>	<u>3,091,215</u>

Concentration by location for loans, advances and financing is based on the geographical location where the credit risk resides.

14. Loans, advances and financing (continued)**(vii) By residual contractual maturity**

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Maturity within one year	1,651,100	1,558,018
More than one year to three years	557,284	753,764
More than three years to five years	416,537	393,257
More than five years	370,679	386,176
	<u>2,995,600</u>	<u>3,091,215</u>

(viii) Impaired loans, advances and financing**(a) Movement in impaired loans, advances and financing**

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
At 1 January 2025/1 January 2024	1,244	1,356
Impaired during the financial period	38	120
Reclassified as performing during the financial period	(5)	(127)
Write-off	-	(73)
Exchange differences	(69)	(32)
At 30 June 2025/31 December 2024	<u>1,208</u>	<u>1,244</u>
As % of gross loans, advances and financing	<u>0.04%</u>	<u>0.04%</u>

(b) By sector

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,138	1,207
Household	70	37
	<u>1,208</u>	<u>1,244</u>

(c) By purpose

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Working capital	1,138	1,207
Credit card	70	37
	<u>1,208</u>	<u>1,244</u>

(d) By geographical distribution

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Within Malaysia	70	37
Outside Malaysia	1,138	1,207
	<u>1,208</u>	<u>1,244</u>

Concentration by location for impaired loans, advances and financing is based on the geographical location where the credit risk resides.

14. Loans, advances and financing (continued)**(ix) Movements in gross loans, advances and financing**

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2025	2,760,227	329,744	1,244	3,091,215
New assets originated	588,413	46,035	2	634,450
Assets derecognised or repaid	(641,241)	(88,755)	-	(729,996)
Transfer to Stage 1	189	(184)	(5)	-
Transfer to Stage 2	(338)	338	-	-
Transfer to Stage 3	-	(36)	36	-
Foreign exchange adjustments	-	-	(69)	(69)
At 30 June 2025	<u>2,707,250</u>	<u>287,142</u>	<u>1,208</u>	<u>2,995,600</u>
At 1 January 2024	2,771,080	316,915	1,356	3,089,351
New assets originated	1,070,967	26,853	8	1,097,828
Assets derecognised or repaid	(1,036,323)	(59,535)	(1)	(1,095,859)
Transfer to Stage 1	19,668	(19,571)	(97)	-
Transfer to Stage 2	(65,165)	65,194	(29)	-
Transfer to Stage 3	-	(112)	112	-
Write-off	-	-	(73)	(73)
Foreign exchange adjustments	-	-	(32)	(32)
At 31 December 2024	<u>2,760,227</u>	<u>329,744</u>	<u>1,244</u>	<u>3,091,215</u>

(x) Movements in allowance for expected credit loss on loans, advances and financing

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2025	24,579	32,447	1,244	58,270
New assets originated	3,688	14,610	2	18,300s
Assets derecognised or repaid	(6,712)	(20,790)	-	(27,502)
Transfer to Stage 1	9	(4)	(5)	-
Transfer to Stage 2	(2)	2	-	-
Transfer to Stage 3	-	(1)	1	-
Changes due to change in credit risk	1,598	414	35	2,047
Foreign exchange adjustments	(352)	(79)	(69)	(500)
At 30 June 2025	<u>22,808</u>	<u>26,599</u>	<u>1,208</u>	<u>50,615</u>
At 1 January 2024	26,145	7,020	1,356	34,521
New assets originated	6,992	564	8	7,564
Assets derecognised or repaid	(10,469)	(2,150)	(1)	(12,620)
Transfer to Stage 1	381	(284)	(97)	-
Transfer to Stage 2	(1,430)	1,459	(29)	-
Transfer to Stage 3	-	(2)	2	-
Changes due to change in credit risk	223	26,323	110	26,656
Changes in model/risk parameter	1,653	735	-	2,388
Write-off	-	-	(73)	(73)
Foreign exchange adjustments	1,084	(1,218)	(32)	(166)
At 31 December 2024	<u>24,579</u>	<u>32,447</u>	<u>1,244</u>	<u>58,270</u>

15. Derivative financial assets/liabilities

	30 Jun 2025		
	Contract/ Nominal value RM'000	Assets RM'000	Liabilities RM'000
Foreign exchange contracts			
- Currency forwards and spots	894,389	10,251	3,934
- Currency swaps	468,773	14,230	10,292
Interest rate contracts			
- Cross currency interest rate swaps	-	-	-
- Interest rate swaps	50,000	157	157
Total recognised derivative assets/liabilities (Note 27)	1,413,162	24,638	14,383

	31 Dec 2024		
	Contract/ Nominal value RM'000	Assets RM'000	Liabilities RM'000
Foreign exchange contracts			
- Currency forwards and spots	630,105	5,792	17,121
- Currency swaps	794,169	26,439	4,677
Interest rate contracts			
- Cross currency interest rate swaps	-	-	-
- Interest rate swaps	100,000	372	372
Total recognised derivative assets/liabilities (Note 27)	1,524,274	32,603	22,170

16. Other assets

	30 Jun 2025 RM'000	31 Dec 2024 RM'000
Interest receivable	18,597	17,407
Deposits	1,315	1,315
Other receivables and prepayments	14,343	5,374
	34,255	24,096

17. Deposits from customers**(i) By type of deposits**

	30 Jun 2025 RM'000	31 Dec 2024 RM'000
Demand deposits	697,262	737,058
Fixed deposits	1,375,915	1,373,102
Savings deposits	173,204	177,208
Money market deposits	555,378	231,855
Others	567	147,725
	2,802,326	2,666,948

17. Deposits from customers (continued)**(ii) By type of customers**

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Business enterprises	1,531,248	1,429,576
Individuals	325,319	346,782
Foreign entities	945,381	890,269
Others	378	321
	<u>2,802,326</u>	<u>2,666,948</u>

(iii) By maturity structure of term deposits

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Due within six months	1,580,172	1,287,788
More than six months to one year	351,121	317,169
	<u>1,931,293</u>	<u>1,604,957</u>

18. Deposits and placements of banks and other financial institutions

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Licensed Malaysian banks	155,014	210,775
Licensed investment banks	20,000	20,000
Licensed Islamic banks	19,267	43,695
Other financial institutions	30,735	30,754
Foreign banks	610,284	818,153
	<u>835,300</u>	<u>1,123,377</u>

19. Other liabilities

	30 Jun 2025	31 Dec 2024
	RM'000	RM'000
Interest payable	20,668	21,796
Other payables and accruals	63,218	28,978
	<u>83,886</u>	<u>50,774</u>

20. Provision for commitments and contingencies

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2025	3,480	272	-	3,752
New commitments originated	2,150	10	-	2,160
Commitments derecognised	(1,442)	(3)	-	(1,445)
Transfer to Stage 1	1	(1)	-	-
Transfer to Stage 2	(1)	1	-	-
Changes due to change in credit risk	502	1	-	503
Foreign exchange adjustments	(26)	1	-	(25)
At 30 June 2025	4,664	281	-	4,945
At 1 January 2024	2,027	858	-	2,885
New commitments originated	3,325	199	-	3,524
Commitments derecognised	(3,007)	(415)	-	(3,422)
Transfer to Stage 1	433	(433)	-	-
Transfer to Stage 2	(2)	2	-	-
Changes due to change in credit risk	57	19	-	76
Changes in model/risk parameter	649	42	-	691
Foreign exchange adjustments	(2)	-	-	(2)
At 31 December 2024	3,480	272	-	3,752

21. Net Interest income

	2nd quarter ended		Year-To-Date ended	
	30 Jun 2025 RM'000	30 Jun 2024 RM'000	30 Jun 2025 RM'000	30 Jun 2024 RM'000
Interest income				
Loans, advances and financing	36,564	42,188	74,987	85,283
Money at call and deposits and placements with financial institutions	6,472	2,911	14,800	6,810
Financial investments measured at fair value through other comprehensive income	10,623	11,647	21,015	20,002
Financial investments measured at amortised cost	2,752	2,529	4,540	5,979
	56,411	59,275	115,342	118,074
Interest expense				
Deposits and placements of banks and other financial institutions	(6,067)	(6,702)	(14,554)	(15,902)
Deposits from customers	(17,929)	(17,138)	(35,111)	(32,352)
	(23,996)	(23,840)	(49,665)	(48,254)
Net interest income	32,415	35,435	65,677	69,820

22. Net Non-interest income**(i) Net fee income**

	2nd quarter ended		Year-To-Date ended	
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
	RM'000	RM'000	RM'000	RM'000
Fee income:				
- Commission	11	15	11	16
- Service charges and fees	1,151	1,353	2,285	2,306
- Loan processing fees	135	186	356	358
- Syndication fees	(28)	-	607	943
- Guarantee fees	1,397	1,366	2,540	2,733
- Commitment fees	227	227	429	458
- Other loan related fee income	38	45	80	90
- Other fee income	3	2,057	5	2,060
	<u>2,934</u>	<u>5,249</u>	<u>6,313</u>	<u>8,964</u>
Fee expense:				
- Brokerage fees	(34)	(26)	(83)	(47)
- Other fee expense	(280)	(749)	(566)	(1,190)
	<u>(314)</u>	<u>(775)</u>	<u>(649)</u>	<u>(1,237)</u>
Net fee income	<u>2,620</u>	<u>4,474</u>	<u>5,664</u>	<u>7,727</u>

(ii) Net trading income

	2nd quarter ended		Year-To-Date ended	
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
	RM'000	RM'000	RM'000	RM'000
Net (losses)/gains from dealing in foreign exchange	(36,889)	9,768	(44,053)	32,960
Net gains/(losses) arising from derivative trading	56,001	(4,808)	61,522	(23,976)
Net unrealised revaluation losses in foreign exchange	(362)	-	(362)	-
Net unrealised (losses)/gains arising from derivative trading	(6,379)	55	(177)	(138)
	<u>12,371</u>	<u>5,015</u>	<u>16,930</u>	<u>8,846</u>

(iii) Other income

	2nd quarter ended		Year-To-Date ended	
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
	RM'000	RM'000	RM'000	RM'000
Other operating income	124	1	152	3
Loss on derecognition of right-of-use assets	-	-	(3)	-
	<u>124</u>	<u>1</u>	<u>149</u>	<u>3</u>
Total net non-interest income	<u>15,115</u>	<u>9,490</u>	<u>22,743</u>	<u>16,576</u>

23. Other operating expenses

	2nd quarter ended		Year-To-Date ended	
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
	RM'000	RM'000	RM'000	RM'000
Personnel costs:				
- Salaries, allowance and bonuses	11,850	12,472	22,767	22,898
- Pension fund contributions	1,276	1,351	2,521	2,525
- Other staff costs	1,334	1,310	2,581	2,973
Promotion and marketing related expenses:				
- Advertising and promotion	50	101	144	141
- Others	55	45	159	131
Establishment costs:				
- Depreciation of property and equipment	329	290	600	734
- Depreciation of right-of-use assets	979	1,091	1,958	2,209
- Interest expense on lease liabilities	47	70	100	141
- Expenses relating to leases of low-value assets	48	65	113	129
- Others	723	983	1,387	1,460
Administrative expenses:				
- Auditors' remuneration				
• statutory audit fees	62	64	128	127
• audit related services	4	4	7	7
- Professional fees	53	158	101	250
- Licence fee	82	86	166	171
- Membership fee	91	62	116	93
- Communication expenses	439	634	1,040	1,232
- Insurance expenses	321	485	399	564
- Travelling expenses	161	176	237	258
- Security and defence costs	107	91	206	198
- Others	354	1,674	833	2,992
	<u>18,365</u>	<u>19,826</u>	<u>35,563</u>	<u>36,981</u>

24. Write-back of impairment on loans, advances and financing

	2nd quarter ended		Year-To-Date ended	
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
	RM'000	RM'000	RM'000	RM'000
(Write-back of)/Allowance for credit loss				
- Loans, advances and financing	(1,900)	(290)	(7,155)	(702)
- Provision for commitments and contingencies	777	71	1,218	(38)
	<u>(1,123)</u>	<u>(219)</u>	<u>(5,937)</u>	<u>(740)</u>

25. Allowance for/(Write-back of) impairment on other financial assets

	2nd quarter ended		Year-To-Date ended	
	30 Jun 2025	30 Jun 2024	30 Jun 2025	30 Jun 2024
	RM'000	RM'000	RM'000	RM'000
Allowance for /(Write-back of) credit loss				
- Cash and short-term funds	(9)	73	(41)	(119)
- Deposits and placements with banks and other financial institutions	586	(163)	575	(263)
- Financial investments measured at amortised cost	(29)	(262)	10	(475)
	<u>548</u>	<u>(352)</u>	<u>544</u>	<u>(857)</u>

26. Credit exposure to connected parties

The credit exposures of the Bank to connected parties, as defined by BNM's "Guidelines on Credit Transactions and Exposures with Connected Parties" are as follows:-

	30 Jun 2025	30 Jun 2024
	RM'000	RM'000
Aggregate value of outstanding credit exposures to connected parties	<u>453,486</u>	<u>120,514</u>
As a percentage of total credit exposures	<u>7.26%</u>	<u>1.90%</u>
Percentage of outstanding credit exposures to connected parties which are non-performing or in default	<u>0%</u>	<u>0%</u>

27. Commitments and contingencies

The commitments and contingencies comprise the following:-

	30 Jun 2025		
	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted assets* RM'000
<u>Credit-related exposures</u>			
Direct credit substitutes	105,347	105,348	21,070
Transaction-related contingent items	1,057,318	528,659	282,273
Short-term self-liquidating trade-related Contingencies	265,099	53,020	33,705
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:			
- Exceeding one year	177,979	88,989	87,952
- Not exceeding one year	815,072	163,014	117,747
Unutilised credit card lines	28,740	5,748	4,311
<u>Derivative financial contracts (Note 15)</u>			
Foreign exchange related contracts:			
- Less than one year	1,363,162	39,099	23,511
Interest rate related contracts:			
- Less than one year	-	-	-
- One year to five years	50,000	282	56
Total	3,862,717	984,159	570,625

27. Commitments and contingencies (continued)

	31 Dec 2024		
	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted assets* RM'000
<u>Credit-related exposures</u>			
Direct credit substitutes	111,752	111,752	22,350
Transaction-related contingent items	648,468	324,234	132,850
Short-term self-liquidating trade-related contingencies	166,210	33,242	16,290
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:			
- Exceeding one year	200,154	100,077	99,078
- Not exceeding one year	891,407	178,281	131,639
Unutilised credit card lines	28,652	5,730	4,298
<u>Derivative financial contracts (Note 9)</u>			
Foreign exchange related contracts:			
- Less than one year	1,424,274	60,760	25,957
Interest rate related contracts			
- Less than one year	-	-	-
- One year to five years	100,000	1,372	274
Total	3,570,917	815,448	432,736

^ The foreign exchange related contracts are off-balance sheet derivative financial instruments whose values change in response to changes in prices or rates (such as foreign exchange rates and interest rates) of the underlying instruments. The underlying principal amounts of these derivative financial instruments and their corresponding gross positive fair values (derivative financial assets) as at respective reporting dates are as shown above.

* The credit equivalent and risk-weighted amounts are computed using credit conversion factors and risk-weighting rules as per BNM guidelines. The credit conversion factors and risk weighting rules are based on guidelines of the revised Capital Adequacy Framework on the Standardised Approach.

28. Capital adequacy

The total risk-weighted assets of the Bank are computed based on the following approaches:-

- (i) Standardised Approach for Credit risk;
- (ii) Standardised Approach for Market risk;
- (iii) Basic Indicator Approach for Operational risk.

The capital adequacy ratios of the Bank are analysed as follows:-

	30 Jun 2025 RM'000	31 Dec 2024 RM'000
Common Equity Tier 1 ("CET1") Capital/Tier 1 Capital		
Paid-up share capital	832,609	832,609
Retained earnings	588,106	588,106
Regulatory reserve	17,644	17,644
Foreign currency translation reserve	1,312	4,435
Unrealised gains on financial investments measured at FVOCI	15,548	5,665
	<u>1,455,219</u>	<u>1,448,459</u>
Less: Regulatory adjustments applied in calculation of CET1 Capital		
- Deferred tax assets	(8,318)	(12,196)
- 55% cumulative gains of financial investments measured at FVOCI	(8,552)	(3,116)
- Regulatory reserve attributable to loans, advances and financing	(17,644)	(17,644)
	<u>(34,514)</u>	<u>(32,956)</u>
Total CET1 Capital/Tier 1 Capital	<u>1,420,705</u>	<u>1,415,503</u>
Tier 2 Capital		
Allowance for credit loss	25,476	25,706
Regulatory reserve	17,644	17,644
Total Tier 2 Capital	<u>43,120</u>	<u>43,350</u>
Total Capital	<u>1,463,825</u>	<u>1,458,853</u>
CET1 capital ratio	38.329%	37.308%
Tier 1 capital ratio	38.329%	37.308%
Total capital ratio	39.493%	38.451%

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

	30 Jun 2025		31 Dec 2024	
	Exposures RM'000	Risk-weighted Assets RM'000	Exposures RM'000	Risk-weighted Assets RM'000
Total RWA for credit risk	6,250,597	3,453,914	6,152,825	3,467,995
Total RWA for market risk	-	20,582	-	13,773
Total RWA for operational risk	-	232,068	-	312,336
	<u>6,250,597</u>	<u>3,706,564</u>	<u>6,152,825</u>	<u>3,794,104</u>

29. Performance Review

For the half year ended 30 June 2025, the Bank recorded a profit before tax of RM58.25 million, which is RM7.24 million or 14.2% higher, when compared with the corresponding period in 2024. The Bank's total operating income was made up of net interest income of RM65.68 million and net non-interest income of RM22.74 million (30 June 2024: RM69.82 million and RM16.58 million respectively).

Net Interest income, which contributed 74.3% to the Bank's total net operating income, decreased by RM4.14 million or 5.9% when compared with the half year ended 30 June 2024. Net non-interest income, which contributed 25.7% to the Bank's total net operating income, has increased by RM6.17 million or 37.2% mainly due to higher net trading income, which increased by RM8.08 million or 91.4%.

The Bank's other operating expenses decreased by RM1.42 million or 3.8% to RM35.56 million as compared with the previous corresponding period in 2024, attributable to lower personnel costs and establishment expenses incurred. During the financial period, there was a write-back of provision for impairment on loans, advances and financing of RM5.94 million and an allowance for impairment on other financial assets of RM0.54 million.

As at 30 June 2025, gross loans, advances and financing decreased by RM95.62 million or 3.1% to RM2,995.60 million as compared with RM3,091.22 million as at 31 December 2024. The Bank's deposits from customers stood at RM2,802.33 million, which grew by RM135.38 million or 5.1% when compared with the balance of RM2,666.95 million as at 31 December 2024.