



**BANK MUAMALAT MALAYSIA BERHAD**  
Company No. 196501000376 (6175-W)  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDED  
31 MARCH 2026 (11 SYAWAL 1447H)**

Company No. 196501000376 (6175-W)

**BANK MUAMALAT MALAYSIA BERHAD**  
(Incorporated in Malaysia)

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**Bank Muamalat Malaysia Berhad**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026 (11 SYAWAL 1447H)**

	Note	Group		Bank	
		As at 31 March 2026 RM'000	As at 31 December 2025 RM'000	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
<b>Assets</b>					
Cash and short-term funds		1,874,366	2,588,998	1,874,366	2,588,998
Deposits and placements with licensed financial institutions		451,344	501,361	451,344	501,361
Financial investments at fair value through profit or loss	7(i)	21,899	72,173	19,991	70,277
Financial investments at fair value through other comprehensive income	7(ii)	7,503,536	7,907,895	7,503,536	7,907,895
Islamic derivative financial assets	8	8,021	13,549	8,021	13,549
Financing of customers	9	34,076,495	33,770,816	34,076,495	33,770,816
Other assets	10	143,364	117,157	142,606	157,479
Statutory deposits with Bank Negara Malaysia		370,000	365,000	370,000	365,000
Investment in subsidiaries		-	-	13,159	13,159
Investment properties		60,786	60,786	60,786	60,786
Intangible assets		149,445	151,809	149,150	151,487
Right-of-use assets		45,217	46,978	45,217	46,978
Property, plant and equipment		53,284	53,622	53,275	53,610
Deferred tax assets	11	19,364	16,082	19,364	16,101
<b>Total assets</b>		<b>44,777,121</b>	<b>45,666,226</b>	<b>44,787,310</b>	<b>45,717,496</b>
<b>Liabilities</b>					
Deposits from customers	12	36,652,617	37,390,060	36,667,493	37,447,369
Investment accounts of customers	14	1,383,350	1,212,983	1,383,350	1,212,983
Deposits and placements of banks and other financial institutions	13	586,248	966,945	586,248	966,945
Obligation on financial assets sold under repurchase agreement		200,458	100,037	200,458	100,037
Bills and acceptances payable		4,404	11,375	4,404	11,375
Islamic derivative financial liabilities	8	25,644	26,972	25,644	26,972
Other liabilities	15	167,395	197,668	167,948	197,877
Lease Liabilities		48,215	49,898	48,215	49,898
Provision for zakat and taxation	16	3,800	10,689	3,611	9,670
Recourse obligation on financing sold to Cagamas	17	1,205,914	1,205,940	1,205,914	1,205,940
Subordinated sukuk	18	809,498	807,858	809,498	807,858
<b>Total liabilities</b>		<b>41,087,543</b>	<b>41,980,425</b>	<b>41,102,783</b>	<b>42,036,924</b>

**Bank Muamalat Malaysia Berhad**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026 (11 SYAWAL 1447H) - (CONT'D.)**

	Note	Group		Bank	
		As at 31 March 2026 RM'000	As at 31 December 2025 RM'000	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
<b>Shareholders' equity</b>					
Share capital		1,195,000	1,195,000	1,195,000	1,195,000
Reserves		2,145,823	2,142,046	2,140,772	2,136,817
<b>Equity attributable to owners of the Bank</b>		<b>3,340,823</b>	3,337,046	<b>3,335,772</b>	3,331,817
Perpetual Sukuk		348,755	348,755	348,755	348,755
<b>Total Shareholders' equity</b>		<b>3,689,578</b>	3,685,801	<b>3,684,527</b>	3,680,572
<b>Total liabilities and shareholders' equity</b>		<b>44,777,121</b>	45,666,226	<b>44,787,310</b>	45,717,496
<b>Restricted investment accounts</b>	14	<b>20</b>	20	<b>20</b>	20
<b>Total Islamic banking asset and asset under management</b>		<b>44,777,141</b>	45,666,246	<b>44,787,330</b>	45,717,516
<b>Commitments and contingencies</b>	32	<b>6,918,901</b>	6,240,259	<b>6,918,901</b>	6,240,259
<b>Capital adequacy *</b>					
CET 1 capital ratio	33	<b>12.449%</b>	12.273%	<b>12.373%</b>	12.180%
Tier 1 capital ratio	33	<b>13.892%</b>	13.694%	<b>13.816%</b>	13.599%
Total capital ratio	33	<b>18.377%</b>	18.134%	<b>18.301%</b>	18.033%

\* The capital adequacy ratios are computed after taking into account the credit, market and operational risks.

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

**Bank Muamalat Malaysia Berhad**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF PROFIT OR LOSS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2026 (11 SYAWAL 1447H)**

	Note	Group		Bank	
		31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
Income derived from investment of depositors' funds and others	19	577,817	540,500	577,886	540,500
Income derived from investment of shareholders' funds	20	11,030	16,640	10,799	13,767
Income derived from investment of investment account funds	21	2,928	2,734	2,928	2,734
Allowance for impairment losses on financing	22	(44,370)	(41,052)	(44,370)	(41,052)
Write-back of impairment losses on financial investments, net	23	6	8	6	8
Write-back of impairment losses on other financial assets, net	24	-	295	-	295
Other expenses directly attributable to the investment of the depositors and shareholders' funds		(18,762)	(11,249)	(18,762)	(11,249)
<b>Total distributable income</b>		<b>528,649</b>	<b>507,876</b>	<b>528,487</b>	<b>505,003</b>
Income attributable to depositors	25	(271,218)	(285,049)	(271,314)	(285,112)
Income attributable to investment account holders		(9,785)	(55)	(9,785)	(55)
<b>Total net income</b>		<b>247,646</b>	<b>222,772</b>	<b>247,388</b>	<b>219,836</b>
Personnel expenses	26	(92,373)	(78,095)	(91,783)	(77,583)
Other overheads and expenditures	27	(70,962)	(62,768)	(71,099)	(62,953)
Finance costs	28	(21,531)	(26,022)	(21,531)	(26,022)
<b>Profit before zakat and taxation</b>		<b>62,780</b>	<b>55,887</b>	<b>62,975</b>	<b>53,278</b>
Zakat	29	(1,591)	(1,387)	(1,574)	(1,332)
Taxation	30	(15,862)	(14,186)	(15,896)	(13,558)
<b>Profit for the period</b>		<b>45,327</b>	<b>40,314</b>	<b>45,505</b>	<b>38,388</b>
<b>Earnings per share attributable to shareholders (sen) (basic and diluted):</b>		<b>15.17</b>	<b>13.49</b>		

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

**Bank Muamalat Malaysia Berhad**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF OTHER COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2026 (11 SYAWAL 1447H)**

	Note	Group		Bank	
		31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
<b>Profit for the period</b>		<b>45,327</b>	40,314	<b>45,505</b>	38,388
<b>Other comprehensive income:</b>					
<b>Items that may be reclassified</b>					
<b>subsequently to profit or loss</b>					
(Loss)/ Gain on financial investments at fair value through other comprehensive income		(30,011)	18,226	(30,011)	18,226
- (Loss)/ Gain on change in fair value		(28,437)	22,490	(28,437)	22,490
- Changes in expected credit losses	7(ii)	(6)	(8)	(6)	(8)
- Income tax effect	11	8,917	(1,332)	8,917	(1,332)
- Realised gain transferred to profit or loss on disposal	19 & 20	(10,485)	(2,924)	(10,485)	(2,924)
Exchange fluctuation reserve		(12)	436	(12)	436
<b>Items that may not be reclassified</b>					
<b>subsequently to profit or loss</b>					
Net unrealised losn on equity securities at fair value through other comprehensive income		(445)	(35,640)	(445)	(35,640)
<b>Other comprehensive loss</b>					
<b>for the period, net of tax</b>		<b>(30,468)</b>	(16,978)	<b>(30,468)</b>	(16,978)
<b>Total comprehensive income</b>					
<b>for the period</b>		<b>14,859</b>	23,336	<b>15,037</b>	21,410

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

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Bank Muamalat Malaysia Berhad  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2026 (11 SYAWAL 1447H)**

Group	Non-distributable				Distributable		Total Equity RM'000
	Ordinary shares RM'000	Perpetual Sukuk RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Regulatory reserve RM'000	Exchange fluctuation reserve RM'000	Retained profits RM'000	
<b>At 1 January 2026</b>	<b>1,195,000</b>	<b>348,755</b>	<b>(15,183)</b>	<b>122,492</b>	<b>8,093</b>	<b>2,026,644</b>	<b>3,685,801</b>
Profit for the period	-	-	-	-	-	45,327	45,327
Other comprehensive loss for the period	-	-	(30,456)	-	(12)	-	(30,468)
Total comprehensive (loss)/income for the period	-	-	(30,456)	-	(12)	45,327	14,859
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	-	(1,196)	-	-	1,196	-
Transfer from regulatory reserve	-	-	-	7,448	-	(7,448)	-
<b>Transaction with Owners</b>							
Distribution to Perpetual Sukuk holders	-	-	-	-	-	(11,082)	(11,082)
<b>At 31 March 2026</b>	<b>1,195,000</b>	<b>348,755</b>	<b>(46,835)</b>	<b>129,940</b>	<b>8,081</b>	<b>2,054,637</b>	<b>3,689,578</b>
<b>At 1 January 2025</b>	<b>1,195,000</b>	<b>348,755</b>	<b>(11,637)</b>	<b>145,403</b>	<b>2,973</b>	<b>1,818,444</b>	<b>3,498,939</b>
Profit for the period	-	-	-	-	-	40,314	40,314
Other comprehensive income/(loss) for the year	-	-	(17,414)	-	436	-	(16,978)
Total comprehensive income/(loss) for the year	-	-	(17,414)	-	436	40,314	23,336
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	-	6,489	-	-	(6,489)	-
Transfer to regulatory reserve	-	-	-	(18,620)	-	18,620	-
<b>Transaction with Owners</b>							
Distribution to Perpetual Sukuk holders	-	-	-	-	-	(11,113)	(11,113)
<b>At 31 March 2025</b>	<b>1,195,000</b>	<b>348,755</b>	<b>(22,562)</b>	<b>126,783</b>	<b>3,409</b>	<b>1,859,776</b>	<b>3,511,162</b>

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

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Bank Muamalat Malaysia Berhad  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2026 (11 SYAWAL 1447H)**

	Non-distributable				Distributable		Total Equity RM'000
	Ordinary shares RM'000	Perpetual Sukuk RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Regulatory reserve RM'000	Exchange fluctuation reserve RM'000	Retained profits RM'000	
<b>Bank</b>							
<b>At 1 January 2026</b>	<b>1,195,000</b>	<b>348,755</b>	<b>(15,183)</b>	<b>122,492</b>	<b>8,093</b>	<b>2,021,415</b>	<b>3,680,572</b>
Profit for the period	-	-	-	-	-	45,505	45,505
Other comprehensive (loss)/income for the period	-	-	(30,456)	-	(12)	-	(30,468)
Total comprehensive (loss)/income for the period	-	-	(30,456)	-	(12)	45,505	15,037
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	-	(1,196)	-	-	1,196	-
Transfer from regulatory reserve	-	-	-	7,448	-	(7,448)	-
<b>Transaction with Owners</b>							
Distribution to Perpetual Sukuk holders						(11,082)	(11,082)
<b>At 31 March 2026</b>	<b>1,195,000</b>	<b>348,755</b>	<b>(46,835)</b>	<b>129,940</b>	<b>8,081</b>	<b>2,049,586</b>	<b>3,684,527</b>
<b>At 1 January 2025</b>	<b>1,195,000</b>	<b>348,755</b>	<b>(11,637)</b>	<b>145,404</b>	<b>2,974</b>	<b>1,808,257</b>	<b>3,488,753</b>
Profit for the period	-	-	-	-	-	38,388	38,388
Other comprehensive income/(loss) for the year	-	-	(17,414)	-	436	-	(16,978)
Total comprehensive income/(loss) for the year	-	-	(17,414)	-	436	38,388	21,410
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	-	6,489	-	-	(6,489)	-
Transfer from regulatory reserve	-	-	-	(18,620)	-	18,620	-
<b>Transaction with Owners</b>							
Distribution to Perpetual Sukuk holders						(11,113)	(11,113)
<b>At 31 March 2025</b>	<b>1,195,000</b>	<b>348,755</b>	<b>(22,562)</b>	<b>126,784</b>	<b>3,410</b>	<b>1,847,663</b>	<b>3,499,050</b>

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

**Bank Muamalat Malaysia Berhad**  
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**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2026 (11 SYAWAL 1447H)**

	Note	Group		Bank	
		31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
<b>Cash flows from operating activities</b>					
Profit before zakat and taxation		<b>62,780</b>	55,887	<b>62,975</b>	53,278
Adjustment for					
Fair value loss of financial liabilities	20	<b>1,058</b>	1,240	<b>1,058</b>	1,240
Amortisation of intangible asset	27	<b>10,441</b>	8,337	<b>10,413</b>	8,317
Depreciation of property, plant and equipment	27	<b>2,864</b>	2,848	<b>2,862</b>	2,845
Gain on disposal of property, plant and equipment	21	-	(164)	-	(164)
Loss/(gain) from lease modification		<b>1</b>	(731)	<b>1</b>	(731)
Depreciation of right-of-use assets	27	<b>2,987</b>	2,394	<b>2,987</b>	2,394
Amortisation of cost on Subordinated Sukuk Issued		<b>106</b>	106	<b>106</b>	106
Fixed asset written off		<b>118</b>	4	<b>118</b>	4
Intangible asset written off		<b>34</b>	-	<b>34</b>	-
Amortisation of premium (net)	19 & 20	<b>10,301</b>	8,797	<b>10,301</b>	8,797
Net gain from sale of financial investments at fair value through other comprehensive income	19 & 20	<b>(10,485)</b>	(2,924)	<b>(10,485)</b>	(2,924)
Net gain from sale of financial investment designated at FVTPL	19 & 20	<b>(16)</b>	(45)	<b>(16)</b>	(45)
Unrealised (gain)/loss on revaluation of financial investment designated at FVTPL	19 & 20	<b>(283)</b>	410	<b>(284)</b>	409
Net gain on revaluation of foreign exchange transaction	20	<b>(11,570)</b>	(3,365)	<b>(11,570)</b>	(3,365)
Net loss/(gain) from foreign exchange derivatives	20	<b>4,201</b>	(8,511)	<b>4,201</b>	(8,511)
Profit attribute to obligation on financial assets sold under repurchase agreement		<b>1,149</b>	-	<b>1,149</b>	-
Unrealised MTM gain on financial investment at FVOCI	20	<b>(8)</b>	-	<b>(8)</b>	-
Write-back of impairment losses on financial investments, net	23	<b>(7)</b>	(8)	<b>(7)</b>	(8)
Write-back of impairment on other financial assets, net	24	-	(295)	-	(295)
Net allowance for impairment on financing	22	<b>44,369</b>	41,052	<b>44,369</b>	41,052
Profit income from financial investments		<b>(76,705)</b>	(75,028)	<b>(76,704)</b>	(75,028)
Finance cost	28	<b>21,531</b>	26,022	<b>21,531</b>	26,022
Dividend income	20	<b>(12)</b>	(17)	-	-
Operating profit before working capital changes		<b>62,854</b>	56,009	<b>63,031</b>	53,393

**Bank Muamalat Malaysia Berhad**  
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**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2026 (11 SYAWAL 1447H)**

	Note	Group		Bank	
		31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
(Increase)/decrease in operating assets:					
Islamic derivative financial assets		-	8,021	-	8,021
Financing of customers		(350,049)	(330,610)	(350,049)	(327,435)
Statutory deposits with Bank Negara Malaysia		(5,000)	-	(5,000)	-
Other assets		(14,651)	(39,164)	26,434	(39,630)
Increase/(decrease) in operating liabilities:					
Deposits from customers		(737,443)	(498,756)	(779,877)	(499,648)
Investment accounts of customers		170,367	11,777	170,367	11,777
Deposits and placements of banks and other financial institutions		(381,755)	(4,052)	(381,755)	(4,052)
Islamic derivative financial liabilities		-	(8,021)	-	(8,021)
Bills and acceptances payable		(6,971)	36,164	(6,971)	36,164
Other liabilities		(30,902)	118,675	(30,589)	118,923
Cash used in operations		(1,293,550)	(649,957)	(1,294,409)	(650,508)
Finance cost on lease liabilities paid	28	542	(502)	542	(502)
Zakat paid		(7,764)	(8,928)	(7,634)	(8,665)
Tax paid		(16,978)	(14,758)	(16,250)	(14,461)
Tax refunded		5,583	-	5,583	-
<b>Net cash used in operating activities</b>		<b>(1,312,167)</b>	<b>(674,145)</b>	<b>(1,312,168)</b>	<b>(674,136)</b>
<b>Cash flows from investing activities</b>					
Proceeds from disposal of financial investment		1,524,313	1,073,293	1,524,313	1,073,293
Purchase of financial investment		(1,128,625)	(868,700)	(1,128,625)	(868,693)
Proceeds from disposal of property, plant and equipment		-	164	-	164
Purchase of investment properties		-	-	-	-
Purchase of property, plant and equipment		(2,642)	(1,383)	(2,642)	(1,383)
Purchase of intangible asset		(8,110)	(6,886)	(8,110)	(6,886)
Proceeds of profit income from financial investments		96,770	100,065	96,782	100,066
Purchase of ROU assets		-	720	-	720
Dividend income received	20	12	17	-	-
<b>Net cash generated from investing activities</b>		<b>481,718</b>	<b>297,290</b>	<b>481,718</b>	<b>297,281</b>

**Bank Muamalat Malaysia Berhad**  
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**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2026 (11 SYAWAL 1447H)**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
<b>Cash flows from financing activities</b>				
Dividend paid on Islamic subordinated sukuk	(7,995)	(7,995)	(7,995)	(7,995)
Payment of lease liabilities	(2,909)	(2,297)	(2,909)	(2,297)
Proceed from obligation on financial assets sold under repurchase agreement	603,214	-	603,214	-
Payment of principal for obligation on financial assets sold under repurchase agreement	(503,150)	-	(503,150)	-
Payment of finance cost for obligation on financial assets sold under repurchase agreement	(792)	-	(792)	-
Proceed from recourse obligation on financing sold to Cagamas	-	2,711	-	2,711
Payment of principal for recourse obligation on financing sold to Cagamas	-	(9,374)	-	(9,374)
Payment of finance cost for recourse obligation on financing sold to Cagamas	(11,486)	(15,930)	(11,486)	(15,930)
Distribution to paid Perpetual Sukuk holders	(11,082)	(11,113)	(11,082)	(11,113)
<b>Net cash generated from/(used in) financing activities</b>	<b>65,800</b>	<b>(43,998)</b>	<b>65,800</b>	<b>(43,998)</b>
<b>Net decrease in cash cash equivalents</b>	<b>(764,649)</b>	<b>(420,853)</b>	<b>(764,650)</b>	<b>(420,853)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>3,090,359</b>	<b>2,618,766</b>	<b>3,090,359</b>	<b>2,618,766</b>
<b>Cash and cash equivalents at end of the period</b>	<b>2,325,710</b>	<b>2,197,913</b>	<b>2,325,709</b>	<b>2,197,913</b>
<b>Cash and cash equivalents consist of:</b>				
Cash and short term funds	2,325,710	2,197,913	2,325,710	2,197,913

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

**Bank Muamalat Malaysia Berhad  
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**NOTES TO INTERIM FINANCIAL STATEMENTS FOR THE THREE (3) MONTHS ENDED 31 MARCH  
2026 (11 SYAWAL 1447H)**

**1. Basis of preparation**

The unaudited condensed financial statements for the first financial quarter ended 31 March 2026 of Bank Muamalat Malaysia Berhad ("BMMB" or "the Bank") and its subsidiaries ("the Group") have been prepared in accordance with the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act, 2016 in Malaysia. These consolidated financial statements also comply with Bank Negara Malaysia policy documents ("BNM"), and the principles of Shariah.

The financial statements are presented in Ringgit Malaysia ("RM") and rounded to the nearest thousand (RM'000) except when otherwise indicated.

The financial statements of the Group and of the Bank are prepared under the historical cost basis except for the following assets and liabilities that are stated at fair values: financial investments at fair value through other comprehensive income ("FVOCI"), financial investments at fair value through profit or loss ("FVTPL"), and Islamic derivative financial instruments.

The Group and the Bank present the statements of financial position in order of liquidity.

The unaudited condensed financial statements should be read in conjunction with the audited financial statements of the Bank and of the Group for the financial year ended 31 December 2025. The explanatory notes attached to these condensed consolidated 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 by the Bank are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2025 except for adoption of the following MFRS Accounting Standards and Interpretations of the Issues Committee ("IC Interpretations") with effective dates as follows:

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

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**1. Basis of preparation (cont'd.)**

***MFRS Accounting Standards, interpretations and amendments 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*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

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

The Group and the Bank plans to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 January 2027 for the amendments that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the above mentioned accounting standards, interpretations or amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Bank, except as mentioned below:

***MFRS 18, Presentation and Disclosure in Financial Statements***

- MFRS 18 will replace MFRS 101, *Presentation of Financial Statements* and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:
  - Entities are required to classify all income and expenses into five categories in the statement of profit and loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal.
  - Management - defined performance measures ("MPMs") are disclosed in a single note in the financial statements.
  - Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group and the Bank are currently assessing the impact of adopting MFRS 18.

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**2. Auditors' report on preceding annual financial statements**

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2025 was not qualified.

**3. Seasonal or cyclical factors**

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical factors during the first quarter ended 31 March 2026.

**4. Unusual items**

There were no unusual items affecting the assets, liabilities, equity, net income or cashflows of the Group and of the Bank during the first quarter ended 31 March 2026.

**5. Changes in accounting estimates**

There were no material changes in estimates during the first quarter ended 31 March 2026.

**6. Dividends**

There was no dividend payment during the first quarter ended 31 March 2026.

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**7. Financial investments**

	Note	Group		Bank	
		31 March 2026 RM'000	31 December 2025 RM'000	31 March 2026 RM'000	31 December 2025 RM'000
Financial investments at FVTPL	(i)	21,899	21,597	19,991	19,701
Financial investments at FVOCI	(ii)	7,503,536	7,907,895	7,503,536	7,907,895
		<b>7,525,435</b>	<b>7,929,492</b>	<b>7,523,527</b>	<b>7,927,596</b>
<b>(i) Financial investments at FVTPL</b>					
<b>Government securities and treasury bills:</b>					
Malaysian government investment certificates		-	50,576	-	50,576
<b>Unquoted securities in Malaysia:</b>					
Unit trusts		21,899	21,597	19,991	19,701
		<b>21,899</b>	<b>21,597</b>	<b>19,991</b>	<b>19,701</b>
<b>(ii) Financial investments at FVOCI</b>					
<b>Debt instruments:</b>					
<b>Government securities and treasury bills:</b>					
Malaysian government investment certificates		5,014,733	5,290,606	5,014,733	5,290,606
<b>Unquoted securities:</b>					
Islamic private debt securities in Malaysia		1,683,473	1,753,436	1,683,473	1,753,436
Cagamas sukuk		717,695	764,164	717,695	764,164
		<b>2,401,168</b>	<b>2,517,600</b>	<b>2,401,168</b>	<b>2,517,600</b>
<b>Equity instruments:</b>					
<b>Quoted securities in Malaysia:</b>					
Quoted shares		76,455	84,863	76,455	84,863
<b>Unquoted securities:</b>					
Private equity funds		6,549	10,195	6,549	10,195
Shares in Malaysia		4,631	4,631	4,631	4,631
		<b>11,180</b>	<b>14,826</b>	<b>11,180</b>	<b>14,826</b>
<b>Total financial assets at FVOCI</b>		<b>7,503,536</b>	<b>7,907,895</b>	<b>7,503,536</b>	<b>7,907,895</b>

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**7. Financial investments (cont'd)**

**(ii) Financial investments at FVOCI (cont'd.)**

Included in financial investments at FVOCI of the Group and the Bank are Malaysian government investment certificates, which are pledged as collateral for obligation on financial assets sold under repurchase agreement.

- (a) Movements in the allowances for impairment losses on debt instruments at FVOCI of the Group and the Bank are as follows:

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>-Months</b>	<b>not credit</b>	<b>credit</b>	
	<b>ECL</b>	<b>impaired</b>	<b>impaired</b>	<b>Total ECL</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 31 March 2026</b>				
At 1 January 2026	61	-	22,680	22,741
Allowance made	22,680	-	(22,680)	-
At 31 March 2026	<u>22,741</u>	<u>-</u>	<u>-</u>	<u>22,741</u>

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>-Months</b>	<b>not credit</b>	<b>credit</b>	
	<b>ECL</b>	<b>impaired</b>	<b>impaired</b>	<b>Total ECL</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 31 December 2025</b>				
At 1 January 2025	59	-	22,680	22,739
Allowance made	37	-	-	37
Amount written back in respect of recoveries	(35)	-	-	(35)
At 31 December 2025	<u>61</u>	<u>-</u>	<u>22,680</u>	<u>22,741</u>

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**8. Islamic derivative financial instruments**

The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts. The notional amount, recorded at gross, is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the period end and are indicative of neither the market risk nor the credit risk.

	<b>Group and Bank</b>					
	<b>31 March 2026</b>			<b>31 December 2025</b>		
	<b>Contract/ notional amount RM'000</b>	<b>Fair value</b>		<b>Contract/ Notional Amount RM'000</b>	<b>Fair value</b>	
	<b>Assets RM'000</b>	<b>Liabilities RM'000</b>		<b>Assets RM'000</b>	<b>Liabilities RM'000</b>	
<b>Trading derivatives:</b>						
Foreign exchange contracts						
- Currency forwards						
Less than one year	<b>1,096,240</b>	<b>7,731</b>	<b>(14,201)</b>	1,055,679	6,181	(26,934)
- Currency swaps						
Less than one year	<b>560,133</b>	<b>40</b>	<b>(11,269)</b>	485,799	7,317	(34)
- Currency spot						
Less than one year	<b>233,587</b>	<b>250</b>	<b>(174)</b>	29,924	51	(4)
	<b>1,889,960</b>	<b>8,021</b>	<b>(25,644)</b>	1,571,402	13,549	(26,972)

## 9. Financing of Customers

## (i) By type and Shariah concepts

Group	Bai' Bithaman Ajil RM'000	Ijarah Thumma Al-Bai RM'000	Inah RM'000	Tawarruq RM'000	Bai' Al-Dayn RM'000	Murabahah RM'000	Istisna' RM'000	Qard RM'000	Murabahah to the Purchase Orderer RM'000	Total financing RM'000
31 March 2026										
Cash line	-	-	1,079	778,321	-	-	-	-	-	779,400
Term financing:										
Home financing	885,246	-	-	11,740,118	-	-	183,440	-	-	12,808,804
Syndicated financing	-	-	-	432,290	-	-	-	-	-	432,290
Hire purchase receivables	15,192	1,004,239	-	-	-	-	-	-	2,373,623	3,393,054
Personal financing	22,108	-	-	7,901,222	-	-	-	-	-	7,923,330
Other term financing	52,400	-	-	3,805,396	-	-	-	-	-	3,857,796
Trust receipts	-	-	-	-	9,881	27,608	-	-	-	37,489
Claims on customers under acceptance credits	-	-	-	-	238,364	1,078,138	-	-	-	1,316,502
Staff financing	9,644	-	-	153,268	-	-	775	85	2,002	165,774
Revolving credit	-	-	-	2,321,903	-	-	-	-	-	2,321,903
Credit card	-	-	-	211,715	-	-	-	-	-	211,715
Ar-Rahnu	-	-	-	1,169,161	-	-	-	-	-	1,169,161
Gross financing	984,590	1,004,239	1,079	28,513,394	248,245	1,105,746	184,215	85	2,375,625	34,417,218
Fair value changes arising from fair value hedge <sup>1</sup>	-	-	-	6,987	-	-	-	-	-	6,987
	984,590	1,004,239	1,079	28,520,381	248,245	1,105,746	184,215	85	2,375,625	34,424,205
Less : Allowance for impaired financing										
At amortised cost										
-Stage 1 - 12-Month ECL	(622)	(2,494)	(28)	(97,087)	(102)	(831)	(713)	-	(5,005)	(106,882)
-Stage 2 - Lifetime ECL not credit impaired	(181)	(466)	(8)	(76,651)	-	-	(204)	-	(858)	(78,368)
-Stage 3 - Lifetime ECL credit impaired	(2,428)	(752)	-	(153,902)	-	(2,649)	(481)	-	(2,248)	(162,460)
Total net financing <sup>2</sup>	981,359	1,000,527	1,043	28,192,741	248,143	1,102,266	182,817	85	2,367,514	34,076,495

1 With the discontinuation of the fair value hedge, the unamortised fair value are amortised to profit or loss over the remaining maturity of the hedged item.

2 Included in total net financing are financing at fair value through profit or loss amounting RM286,720,000 (2025: RM288,554,000 ) which mainly consists of the BNM established financing facility to provide relief and support recovery for SMEs in the services sector affected by the containment measures since June 2020.

## 9. Financing of Customers (cont'd.)

## (i) By type and Shariah concepts

Group	Bai' Bithaman Ajil RM'000	Ijarah Thumma Al-Bai RM'000	Inah RM'000	Tawarruq RM'000	Bai' Al-Dayn RM'000	Murabahah RM'000	Istisna' RM'000	Qard RM'000	Murabahah to the Purchase Orderer RM'000	Total financing RM'000
31 December 2025										
Cash line	-	-	937	837,118	-	-	-	-	-	838,055
Term financing:										
Home financing	906,181	-	-	11,674,572	-	-	165,088	-	-	12,745,841
Syndicated financing	-	-	-	442,048	-	-	-	-	-	442,048
Hire purchase receivables	17,213	1,014,577	-	-	-	-	-	-	2,126,951	3,158,741
Personal financing	22,721	-	-	7,966,828	-	-	-	-	-	7,989,549
Other term financing	56,939	-	-	3,893,776	-	-	-	-	-	3,950,715
Trust receipts	-	-	-	-	10,635	20,730	-	-	-	31,365
Claims on customers under acceptance credits	-	-	-	-	233,706	1,234,999	-	-	-	1,468,705
Staff financing	10,188	-	-	153,827	-	-	1,003	67	2,042	167,127
Revolving credit	-	-	-	2,160,623	-	-	-	-	-	2,160,623
Credit card	-	-	-	185,159	-	-	-	-	-	185,159
Ar-Rahnu	-	-	-	969,964	-	-	-	-	-	969,964
Total gross financing	1,013,242	1,014,577	937	28,283,915	244,341	1,255,729	166,091	67	2,128,993	34,107,892
Fair value changes arising from fair value hedge <sup>1</sup>	-	-	-	7,763	-	-	-	-	-	7,763
	1,013,242	1,014,577	937	28,291,678	244,341	1,255,729	166,091	67	2,128,993	34,115,655
Less : Allowance for impaired financing										
At amortised cost										
-Stage 1 - 12-Month ECL	(666)	(2,165)	(25)	(98,693)	(93)	(1,017)	(679)	-	(4,551)	(107,889)
-Stage 2 - Lifetime ECL not credit impaired	(206)	(317)	-	(80,925)	-	(14)	(145)	-	(685)	(82,292)
-Stage 3 - Lifetime ECL credit impaired	(1,506)	(431)	-	(146,796)	(1,138)	(2,647)	(278)	-	(1,862)	(154,658)
Total net financing <sup>2</sup>	1,010,864	1,011,664	912	27,965,264	243,110	1,252,051	164,989	67	2,121,895	33,770,816

1 With the discontinuation of the fair value hedge, the unamortised fair value are amortised to profit or loss over the remaining maturity of the hedged item.

2 Included in total net financing are financing at fair value through profit or loss amounting RM288,554,000 (2024: RM337,972,000) which mainly consists of the BNM established financing facility to provide relief and support recovery for SMEs in the services sector affected by the containment measures since June 2020.

## 9. Financing of Customers (cont'd.)

## (i) By type and Shariah concepts

Bank	Bai' Bithaman Ajil RM'000	Ijarah Thumma Al-Bai RM'000	Inah RM'000	Tawarruq RM'000	Bai' Al-Dayn RM'000	Murabahah RM'000	Istisna' RM'000	Qard RM'000	Murabahah to the Purchase Orderer RM'000	Total financing RM'000
<b>31 March 2026</b>										
Cash line	-	-	1,079	778,321	-	-	-	-	-	779,400
Term financing:										
Home financing	885,246	-	-	11,740,118	-	-	183,440	-	-	12,808,804
Syndicated financing	-	-	-	432,290	-	-	-	-	-	432,290
Hire purchase receivables	15,192	1,004,239	-	-	-	-	-	-	2,373,623	3,393,054
Leasing receivables	-	-	-	-	-	-	-	-	-	-
Personal financing	22,108	-	-	7,901,222	-	-	-	-	-	7,923,330
Other term financing	52,400	-	-	3,805,396	-	-	-	-	-	3,857,796
Trust receipts	-	-	-	-	9,881	27,608	-	-	-	37,489
Claims on customers under acceptance credits	-	-	-	-	238,364	1,078,138	-	-	-	1,316,502
Staff financing	9,644	-	-	153,268	-	-	775	85	2,002	165,774
Revolving credit	-	-	-	2,321,903	-	-	-	-	-	2,321,903
Credit card	-	-	-	211,715	-	-	-	-	-	211,715
Ar-Rahnu	-	-	-	1,169,161	-	-	-	-	-	1,169,161
Gross financing	984,590	1,004,239	1,079	28,513,394	248,245	1,105,746	184,215	85	2,375,625	34,417,218
Fair value changes arising from fair value hedge <sup>1</sup>	-	-	-	6,987	-	-	-	-	-	6,987
	984,590	1,004,239	1,079	28,520,381	248,245	1,105,746	184,215	85	2,375,625	34,424,205
Less : Allowance for impaired financing At amortised cost										
-Stage 1 - 12-Month ECL	(622)	(2,494)	(28)	(97,087)	(102)	(831)	(713)	-	(5,005)	(106,882)
-Stage 2 - Lifetime ECL not credit impaired	(181)	(466)	(8)	(76,651)	-	-	(204)	-	(858)	(78,368)
-Stage 3 - Lifetime ECL credit impaired	(2,428)	(752)	-	(153,902)	-	(2,649)	(481)	-	(2,248)	(162,460)
Total net financing <sup>2</sup>	981,359	1,000,527	1,043	28,192,741	248,143	1,102,266	182,817	85	2,367,514	34,076,495

<sup>1</sup> With the discontinuation of the fair value hedge, the unamortised fair value are amortised to profit or loss over the remaining maturity of the hedged item.

<sup>2</sup> Included in total net financing are financing at fair value through profit or loss amounting RM286,720,000 (2025: RM288,554,000) which mainly consists of the BNM established financial facility to provide relief and support recovery for SMEs in the services sector affected by the containment measures since June 2020.

## 9. Financing of Customers (cont'd.)

## (i) By type and Shariah concepts

Bank 31 December 2025	Bai' Bithaman Ajil RM'000	Ijarah Thumma Al-Bai RM'000	Inah RM'000	Tawarruq RM'000	Bai' Al-Dayn RM'000	Murabahah RM'000	Istisna' RM'000	Qard RM'000	Murabahah to the Purchase Orderer RM'000	Total financing RM'000
Cash line	-	-	937	837,118	-	-	-	-	-	838,055
Term financing:										
Home financing	906,181	-	-	11,674,572	-	-	165,088	-	-	12,745,841
Syndicated financing	-	-	-	442,048	-	-	-	-	-	442,048
Hire purchase receivables	17,213	1,014,577	-	-	-	-	-	-	2,126,951	3,158,741
Personal financing	22,721	-	-	7,966,828	-	-	-	-	-	7,989,549
Other term financing	56,939	-	-	3,893,776	-	-	-	-	-	3,950,715
Trust receipts	-	-	-	-	10,635	20,730	-	-	-	31,365
Claims on customers under acceptance credits	-	-	-	-	233,706	1,234,999	-	-	-	1,468,705
Staff financing	10,188	-	-	153,827	-	-	1,003	67	2,042	167,127
Revolving credit	-	-	-	2,160,623	-	-	-	-	-	2,160,623
Credit card	-	-	-	185,159	-	-	-	-	-	185,159
Ar-Rahnu	-	-	-	969,964	-	-	-	-	-	969,964
Total gross financing	1,013,242	1,014,577	937	28,283,915	244,341	1,255,729	166,091	67	2,128,993	34,107,892
Fair value changes arising from fair value hedge <sup>1</sup>	-	-	-	7,763	-	-	-	-	-	7,763
	1,013,242	1,014,577	937	28,291,678	244,341	1,255,729	166,091	67	2,128,993	34,115,655
Less : Allowance for impaired financing At amortised cost										
-Stage 1 - 12-Month ECL	(666)	(2,165)	(25)	(98,693)	(93)	(1,017)	(679)	-	(4,551)	(107,889)
-Stage 2 - Lifetime ECL not credit impaired	(206)	(317)	-	(80,925)	-	(14)	(145)	-	(685)	(82,292)
-Stage 3 - Lifetime ECL credit impaired	(1,506)	(431)	-	(146,796)	(1,138)	(2,647)	(278)	-	(1,862)	(154,658)
Total net financing <sup>2</sup>	1,010,864	1,011,664	912	27,965,264	243,110	1,252,051	164,989	67	2,121,895	33,770,816

<sup>1</sup> With the discontinuation of the fair value hedge, the unamortised fair value are amortised to profit or loss over the remaining maturity of the hedged item.

<sup>2</sup> Included in total net financing are financing at fair value through profit or loss amounting RM288,554,000 (2024: RM332,896,000) which mainly consists of the BNM established financial facility to provide relief and support recovery for SMEs in the services sector affected by the containment measures since June 2020.

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**9. Financing of customers (cont'd.)**

**(i) By type and Shariah concepts (cont'd.)**

	<b>Group and Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2026</b>	<b>2025</b>
	<b>RM'000</b>	<b>RM'000</b>
Uses of Qard fund:		
Staff financing	<b>85</b>	<b>67</b>

**(ii) By type of customer**

	<b>Group and Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2026</b>	<b>2025</b>
	<b>RM'000</b>	<b>RM'000</b>
Domestic non-banking institutions	<b>634,353</b>	657,618
Domestic business enterprises:		
-Small business enterprises	<b>1,852,069</b>	1,633,636
-Others	<b>6,163,445</b>	6,466,266
Government and statutory bodies	<b>947,248</b>	946,702
Individuals	<b>24,809,069</b>	24,391,994
Other domestic entities	<b>7,607</b>	8,176
Foreign entities	<b>3,427</b>	3,500
<b>Gross Financing</b>	<b>34,417,218</b>	34,107,892

**(iii) By profit rate sensitivity**

	<b>Group and Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2026</b>	<b>2025</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed rate:		
Home financing	<b>1,249,020</b>	1,247,880
Hire purchase receivables	<b>3,390,791</b>	3,158,741
Others	<b>3,605,856</b>	3,163,881
Variable rate:		
Home financing	<b>11,559,784</b>	11,497,961
Hire purchase receivables	<b>2,264</b>	-
Others	<b>14,609,503</b>	15,039,429
<b>Gross Financing</b>	<b>34,417,218</b>	34,107,892

**(iv) By residual contractual maturity**

	<b>Group and Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2026</b>	<b>2025</b>
	<b>RM'000</b>	<b>RM'000</b>
Maturity		
- within one year	<b>4,586,959</b>	4,568,187
- more than one to five years	<b>5,651,969</b>	5,352,465
- more than five years	<b>24,178,290</b>	24,187,240
<b>Gross Financing</b>	<b>34,417,218</b>	34,107,892

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**9. Financing of customers (cont'd.)**

(v) **By sector**

	<b>Group and Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2026</b>	<b>2025</b>
	<b>RM'000</b>	<b>RM'000</b>
Agriculture	102,953	107,923
Mining and quarrying	53,717	57,606
Manufacturing	894,105	973,410
Electricity, gas and water	209,797	232,187
Construction	1,242,441	1,252,560
Household	26,001,487	25,592,288
Real estate	593,419	705,520
Wholesale, retail and restaurant	1,188,055	1,297,796
Transport, storage and communication	501,735	478,898
Finance, takaful and business services	2,444,103	2,219,439
Community, social and personal services	240,440	243,912
Government and statutory bodies	944,966	946,353
<b>Gross Financing</b>	<b>34,417,218</b>	<b>34,107,892</b>

(vi) **By geographical area**

	<b>Group and Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2026</b>	<b>2025</b>
	<b>RM'000</b>	<b>RM'000</b>
Domestic	34,417,218	34,107,892
<b>Gross Financing</b>	<b>34,417,218</b>	<b>34,107,892</b>

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**9. Financing of customers (cont'd.)**

**Impaired financing**

**(i) Movements in the impaired financing**

	<b>Group and Bank</b>	
	<b>31 March 2026 RM'000</b>	<b>31 December 2025 RM'000</b>
At 1 January 2026/ At 1 January 2025	487,292	341,179
Classified as impaired during the period	163,016	382,226
Reclassified as performing during the period	(57,635)	(79,241)
Recovered during the period	(60,599)	(66,383)
Written-off during the period	(9,202)	(90,489)
Gross impaired financing	<u>522,872</u>	487,292
Less: Stage 3-Lifetime ECL credit impaired	<u>(162,460)</u>	(154,658)
Net impaired financing	<u>360,412</u>	<u>332,634</u>
<b>Calculation ratio of impaired financing:</b>		
Gross financing of customers	34,417,218	34,107,892
Less: Stage 3 - Lifetime ECL credit impaired	<u>(162,460)</u>	(154,658)
Net financing of customers	<u>34,254,758</u>	<u>33,953,234</u>
Ratio of gross impaired financing to total financing	<u>1.52%</u>	1.43%
Net impaired financing ratio	<u>1.05%</u>	0.98%

**(ii) Impaired financing by sector**

	<b>Group and Bank</b>	
	<b>31 March 2026 RM'000</b>	<b>31 December 2025 RM'000</b>
Agriculture	952	938
Manufacturing	6,286	7,206
Construction	8,909	28,238
Household	416,843	367,993
Real estate	10,260	10,200
Electricity, gas and water	307	261
Wholesale, retail and restaurant	53,522	50,220
Transport, storage and communication	8,664	7,369
Finance, takaful and business services	11,435	10,105
Community, social and personal service	5,694	4,762
	<u>522,872</u>	<u>487,292</u>

**(iii) Impaired financing by geographical area**

	<b>Group and Bank</b>	
	<b>31 March 2026 RM'000</b>	<b>31 December 2025 RM'000</b>
Domestic	<u>522,872</u>	<u>487,292</u>

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**9. Financing of customers (cont'd.)**

**Impaired financing (cont'd.)**

**(iv) Movements in the loss allowance for financing of customers**

Group and Bank	Stage 1	Stage 2	Stage 3	Total ECL RM'000
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>At 31 March 2026</b>				
At 1 January 2026	107,889	82,292	154,658	344,839
Transfer to Stage 1	16,645	(11,948)	(4,697)	-
Transfer to Stage 2	(2,975)	10,180	(7,205)	-
Transfer to Stage 3	(208)	(4,228)	4,436	-
Changes in credit risk	(17,180)	2,149	63,028	47,997
New financing originated	7,780	-	-	7,780
Financing derecognised	(5,069)	(77)	(498)	(5,644)
Amount written off	-	-	(47,262)	(47,262)
At 31 March 2026	<b>106,882</b>	<b>78,368</b>	<b>162,460</b>	<b>347,710</b>
<b>At 31 December 2025</b>				
At 1 January 2025	119,844	37,239	98,189	255,272
Transfer to Stage 1	25,240	(11,402)	(13,838)	-
Transfer to Stage 2	(12,586)	22,012	(9,426)	-
Transfer to Stage 3	(30,596)	(5,532)	36,128	-
Changes in credit risk	(33,929)	41,188	137,596	144,855
New financing originated	55,079	-	-	55,079
Financing derecognised	(15,163)	(1,213)	(3,502)	(19,878)
Amount written off	-	-	(90,489)	(90,489)
At 31 December 2025	<b>107,889</b>	<b>82,292</b>	<b>154,658</b>	<b>344,839</b>

**10. Other assets**

	Group		Bank	
	31 March 2026 RM'000	31 December 2025 RM'000	31 March 2026 RM'000	31 December 2025 RM'000
Deposits	7,294	7,287	7,261	7,254
Prepayments	99,464	73,529	99,411	73,456
Tax recoverable	16,730	16,279	16,655	16,230
Golf club membership	500	500	500	500
Other receivables	21,236	21,422	20,639	61,899
	<b>145,224</b>	119,017	<b>144,466</b>	159,339
Less: Accumulated impairment losses	(1,860)	(1,860)	(1,860)	(1,860)
	<b>143,364</b>	117,157	<b>142,606</b>	157,479

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**11. Deferred tax assets & liabilities**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March 2026 RM'000</b>	<b>31 December 2025 RM'000</b>	<b>31 March 2026 RM'000</b>	<b>31 December 2025 RM'000</b>
At 1 January 2026/ 2025	<b>16,082</b>	33,438	<b>16,101</b>	33,433
Recognised in the profit or loss (Note 30)	<b>(5,635)</b>	(2,309)	<b>(5,654)</b>	(2,285)
Recognised in other comprehensive income	<b>8,917</b>	(15,047)	<b>8,917</b>	(15,047)
At 31 March 2026/ 31 December 2025	<b>19,364</b>	16,082	<b>19,364</b>	16,101

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position as follows:

	<b>Group</b>		<b>Bank</b>	
	<b>31 March 2026 RM'000</b>	<b>31 December 2025 RM'000</b>	<b>31 March 2026 RM'000</b>	<b>31 December 2025 RM'000</b>
Deferred tax assets, net	<b>19,364</b>	16,082	<b>19,364</b>	16,101
	<b>19,364</b>	16,082	<b>19,364</b>	16,101

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**11. Deferred tax asset & liabilities (cont'd.)**

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Group	Balance as at 31 March 2026					
	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
31 March 2026						
Financial investments at FVOCI	(9,685)	-	-	(9,685)	-	(9,685)
ECL	29,781	(564)	-	29,217	29,217	-
Leases	747	17	-	764	764	-
Property, plant and equipment & intangible assets	(27,155)	350	8,917	(17,888)	-	(17,888)
Provision for liabilities	22,599	(5,489)	-	17,110	17,110	-
Other temporary differences	(205)	51	-	(154)	-	(154)
Tax assets/(liabilities) before set-off	16,082	(5,635)	8,917	19,364	47,091	(27,727)
Set-off of tax	-	-	-	-	(27,727)	27,727
Tax assets	16,082	(5,635)	8,917	19,364	19,364	-
Group	Balance as at 31 December 2025					
	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
31 December 2025						
Financial investments at FVOCI	5,362	-	(15,047)	(9,685)	-	(9,685)
ECL	24,342	5,439	-	29,781	29,781	-
Leases	645	102	-	747	747	-
Property, plant and equipment & intangible assets	(18,054)	(9,101)	-	(27,155)	-	(27,155)
Provision for liabilities	21,266	1,333	-	22,599	22,599	-
Other temporary differences	(123)	(82)	-	(205)	-	(205)
Tax assets/(liabilities) before set-off	33,438	(2,309)	(15,047)	16,082	53,127	(37,045)
Set-off of tax	-	-	-	-	(37,045)	37,045
Tax assets	33,438	(2,309)	(15,047)	16,082	16,082	-

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**11. Deferred tax asset & liabilities (cont'd.)**

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Bank	Balance as at 31 March 2026					
	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
31 March 2026						
Financial investments at FVOCI	(10,233)	-	-	(10,233)	-	(10,233)
ECL	29,781	(564)	-	29,217	29,217	-
Leases	746	18	-	764	764	-
Property, plant and equipment & intangible assets	(27,131)	329	8,917	(17,885)	-	(17,885)
Provision for liabilities	22,595	(5,487)	-	17,108	17,108	-
Other temporary differences	343	50	-	393	393	-
Tax assets/(liabilities) before set-off	16,101	(5,654)	8,917	19,364	47,482	(28,118)
Set-off of tax	-	-	-	-	(28,118)	28,118
Tax assets	16,101	(5,654)	8,917	19,364	19,364	-
Bank	Balance as at 31 December 2025					
	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Deferred tax assets	Deferred tax liabilities
31 December 2025						
Financial investments at FVOCI	4,814	-	(15,047)	(10,233)	-	(10,233)
ECL	24,342	5,439	-	29,781	29,781	-
Leases	643	103	-	746	746	-
Property, plant and equipment & intangible assets	(18,021)	(9,110)	-	(27,131)	-	(27,131)
Provision for liabilities	21,230	1,365	-	22,595	22,595	-
Other temporary differences	425	(82)	-	343	343	-
Tax assets/(liabilities) before set-off	33,433	(2,285)	(15,047)	16,101	53,465	(37,364)
Set-off of tax	-	-	-	-	(37,364)	37,364
Tax assets	33,433	(2,285)	(15,047)	16,101	16,101	-

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**12. Deposits from customers****(a) By type of deposits**

	Group		Bank	
	31 March 2026 RM'000	31 December 2025 RM'000	31 March 2026 RM'000	31 December 2025 RM'000
<b>Savings Deposit</b>				
Qard	903,716	926,213	903,716	926,213
Tawarruq	886,336	846,597	886,336	846,597
<b>Demand Deposit</b>				
Qard	4,128,208	4,316,801	4,132,283	4,348,310
Tawarruq	5,559,673	6,164,713	5,559,673	6,164,713
<b>Term Deposit</b>				
Tawarruq				
Short-term accounts	12,367,969	11,862,617	12,367,969	11,862,617
Fixed-term accounts	12,735,229	13,200,296	12,746,030	13,226,096
<b>Other deposits</b>	71,486	72,823	71,486	72,823
	<b>36,652,617</b>	<b>37,390,060</b>	<b>36,667,493</b>	<b>37,447,369</b>

**(b) By type of customer**

	Group		Bank	
	31 March 2026 RM'000	31 December 2025 RM'000	31 March 2026 RM'000	31 December 2025 RM'000
Government and statutory bodies	18,760,869	18,719,204	18,760,869	18,719,204
Business enterprises	10,239,939	11,159,706	10,243,982	11,205,817
Individuals	3,416,852	3,520,732	3,416,852	3,520,732
Domestic non-bank financial institutions	2,576,525	2,574,574	2,587,358	2,585,772
Domestic banking financial institutions	69,601	69,595	69,601	69,595
Others	1,588,831	1,346,249	1,588,831	1,346,249
	<b>36,652,617</b>	<b>37,390,060</b>	<b>36,667,493</b>	<b>37,447,369</b>

The maturity structure of term deposits are as follows :

	Group		Bank	
	31 March 2026 RM'000	31 December 2025 RM'000	31 March 2026 RM'000	31 December 2025 RM'000
Due within six months	19,333,317	18,819,055	19,344,118	18,844,855
More than six months to one year	5,449,005	5,925,240	5,449,005	5,925,240
More than one year to three years	320,668	318,152	320,668	318,152
More than three years to five years	208	466	208	466
	<b>25,103,198</b>	<b>25,062,913</b>	<b>25,113,999</b>	<b>25,088,713</b>

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**13. Deposits and placements of banks and other financial institutions**

	<b>Group and Bank</b>	
	<b>31 March 2026 RM'000</b>	<b>31 December 2025 RM'000</b>
<b>Non-Mudharabah</b>		
Bank Negara Malaysia	<b>384,787</b>	381,987
Other financial institutions	<b>201,461</b>	584,958
	<b>586,248</b>	966,945

Included in these balances are the BNM funds of RM269,652,000 (2025:RM269,652,000) received under government financing schemes for the purpose of SME lending at a below market and concession rate with 5.5 years to 8.5 years of maturity to be repaid between 2026 and 2031.

**14. Investment accounts of customers**

**(i) By type and Shariah contracts**

	<b>Group and Bank</b>	
	<b>31 March 2026 RM'000</b>	<b>31 December 2025 RM'000</b>
<b>Unrestricted investment accounts:</b>		
Without maturity:		
<b>Mudarabah</b>	<b>299,426</b>	277,033
With maturity within one year:		
<b>Wakalah</b>	<b>1,083,924</b>	935,950
	<b>1,383,350</b>	1,212,983
<b>Restricted investment accounts:</b>		
<b>Mudarabah</b>		
Maturity		
- within one year	<b>20</b>	20

RA is a type of restricted investment account based on the Mudarabah contract where the IAH and the Bank agree to share the profit generated from the assets funded by the RA based on an agreed profit sharing ratio (PSR), while losses shall be borne by the IAH. RA amounting to RM20,000 (2025: RM20,000) is accounted for as off balance sheet as the Bank has passed its rights and obligations in respect of the assets related to the RA or the residual cash flows from those assets to the IAH.

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**14. Investment accounts of customers(cont'd.)****(ii) By types of customer**

Group and Bank	Unrestricted investment accounts			Restricted investment accounts
	Mudarabah RM'000	Wakalah RM'000	Total RM'000	Mudarabah RM'000
<b>March 2026</b>				
Individuals	295,419	948,182	1,243,601	20
Business enterprises	3,759	109,762	113,521	-
Others	248	25,980	26,228	-
	<b>299,426</b>	<b>1,083,924</b>	<b>1,383,350</b>	<b>20</b>
<b>December 2025</b>				
Individuals	273,511	808,680	1,082,191	20
Business enterprises	3,265	101,865	105,130	-
Others	257	25,405	25,662	-
	<b>277,033</b>	<b>935,950</b>	<b>1,212,983</b>	<b>20</b>

**(iii) Movement of investment accounts of customers:**

Group and Bank	Unrestricted investment accounts			Restricted investment accounts
	Mudarabah RM'000	Wakalah RM'000	Total RM'000	Mudarabah RM'000
<b>March 2026</b>				
At 1 January 2026	277,033	935,950	1,212,983	20
New placement	1,130,781	188,227	1,319,008	-
Income from investments	2,926	15,912	18,838	-
Profit distributed	(71)	(9,713)	(9,784)	-
Wakalah fee	-	(6,199)	(6,199)	-
Redemption	(1,111,243)	(40,253)	(1,151,496)	-
At 31 March 2026	<b>299,426</b>	<b>1,083,924</b>	<b>1,383,350</b>	<b>20</b>

Group and Bank	Unrestricted investment accounts			Restricted investment accounts
	Mudarabah RM'000	Wakalah RM'000	Total RM'000	Mudarabah RM'000
<b>December 2025</b>				
At 1 January 2025	245,707	-	245,707	20
New placement	3,442,606	1,012,945	4,455,551	-
Income from investments	11,043	17,960	29,003	-
Profit distributed	(234)	(11,378)	(11,612)	-
Wakalah fee	-	(6,582)	(6,582)	-
Redemption	(3,422,089)	(76,995)	(3,499,084)	-
At 31 December 2025	<b>277,033</b>	<b>935,950</b>	<b>1,212,983</b>	<b>20</b>

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**14. Investment accounts of customers(cont'd.)**

(iv) The allocation of investment asset are as follows:

	Group and Bank	
	31 March 2026 RM'000	31 December 2025 RM'000
<b>Unrestricted investment accounts:</b>		
Home financing	299,426	277,033
Personal financing	1,083,924	935,950
<b>Total investment</b>	<b>1,383,350</b>	<b>1,212,983</b>
<b>Restricted investment accounts:</b>		
Term financing	20	20
<b>Total investment</b>	<b>20</b>	<b>20</b>

(v) Investment account holders ("IAH") profit sharing ratio and rate of return are as follows:

	Group and Bank 31 March 2026		Group and Bank 31 December 2025	
	Average profit sharing ratio (%)	Average rate of return (%)	Average profit sharing ratio (%)	Average rate of return (%)
<b>Unrestricted investment accounts</b>				
Mudarabah	2.00%	0.09%	2.00%	0.09%
Wakalah	-	3.99%	-	3.11%
<b>Restricted investment accounts</b>	<b>95.00%</b>	<b>0.00%</b>	<b>95.00%</b>	<b>0.00%</b>

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**15. Other liabilities**

	Group		Bank	
	31 March 2026 RM'000	31 December 2025 RM'000	31 March 2026 RM'000	31 December 2025 RM'000
Sundry creditors	4,590	9,185	4,590	9,185
Allowances for impairment losses on financing commitments and financial guarantee contracts (Note 15(a))	7,903	8,553	7,903	8,553
Provision for bonus	8,549	39,883	8,549	39,883
Accrued expenses	54,002	46,442	53,938	45,889
Accrual for directors' fees	351	-	351	-
Accrual for audit fees	807	707	779	681
Other liabilities	91,193	92,898	91,838	93,686
	<b>167,395</b>	<b>197,668</b>	<b>167,948</b>	<b>197,877</b>

(a) Movements in the allowances for impairment losses on loan commitments and financial guarantee contracts are as follows:

Group and Bank	Stage 1	Stage 2	Stage 3	Total ECL RM'000
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>At 31 March 2026</b>				
At 1 January 2026	5,131	987	2,435	8,553
Transfer to Stage 1	79	(37)	(42)	-
Transfer to Stage 2	(175)	264	(89)	-
Transfer to Stage 3	(2)	(11)	13	-
New financing commitment originated	483	-	-	483
Financing commitment derecognised	(291)	(778)	(139)	(1,208)
Changes in credit risk	25	(214)	264	75
Amount written off	-	-	-	-
At 31 March 2026	<b>5,250</b>	<b>211</b>	<b>2,442</b>	<b>7,903</b>
<b>At 31 December 2025</b>				
At 1 January 2025	7,209	728	1,651	9,588
Transfer to Stage 1	282	(76)	(206)	-
Transfer to Stage 2	(186)	292	(106)	-
Transfer to Stage 3	(254)	(115)	369	-
New financing commitment originated	2,195	-	-	2,195
Financing commitment derecognised	(1,437)	(67)	(485)	(1,989)
Changes in credit risk	(2,678)	225	1,594	(859)
Amount written off	-	-	(382)	(382)
At 31 December 2025	<b>5,131</b>	<b>987</b>	<b>2,435</b>	<b>8,553</b>

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**16. Provision for zakat and taxation**

	Group		Bank	
	31 March 2026 RM'000	31 December 2025 RM'000	31 March 2026 RM'000	31 December 2025 RM'000
Zakat	3,628	9,800	3,611	9,670
Taxation	172	889	-	-
	<b>3,800</b>	<b>10,689</b>	<b>3,611</b>	<b>9,670</b>

**17. Recourse obligation on financing sold to Cagamas**

This represents the proceeds received from house financing sold directly to Cagamas Berhad with recourse to the Bank. Under these agreements, the Bank undertakes to administer the financing on behalf of Cagamas Berhad and to buy-back any financing which are regarded as defective based on prudential criteria set by Cagamas Berhad. These financial liabilities are stated at amortised cost.

**18. Sukuk****Subordinated sukuk**

Subordinated sukuk as at 31 March 2026 relates to two tranches of Subordinated Sukuk Murabahah (Series 2 and Series 3) which qualifies for Tier 2 capital under the BNM Policy Document on Capital Adequacy Framework for Islamic Banks (Capital Components). The sukuk carries a tenure of 10 years from the issue date, callable on the 5th anniversary date from the Issue date and on every profit payment date thereafter. Table below depicts a summary of the current Subordinated Sukuk Murabahah.

Issue date	Call Date	Maturity Date	Profit Rate(% p.a)	Nominal Value
15 June 2021	15 June 2026	15 June 2031	4.50%, payable semi-annually	RM500.0 million
20 July 2022	20 July 2027	20 July 2032	5.33%, payable semi-annually	RM300.0 million

The Bank may redeem (in whole or in part) the initial Subordinated Sukuk Murabahah prior to maturity on the Call Date, subject to the redemption conditions under the principal terms and conditions of the Subordinated Sukuk Programme being satisfied.

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**19. Income derived from investment of depositors' funds and others**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
Income derived from investment of:				
(a) Fixed-term accounts	200,172	187,844	200,172	187,844
(b) Other deposits	377,645	352,656	377,714	352,656
	<b>577,817</b>	<b>540,500</b>	<b>577,886</b>	<b>540,500</b>

**(a) Income derived from investment of fixed-term deposits**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
<b>Finance income and hibah</b>				
Income from financing	160,472	152,003	160,472	152,003
Financial investments at FVTPL	29	39	29	39
Financial investments at FVOCI	25,749	25,184	25,749	25,184
Money at call and deposit with financial institutions	5,547	4,341	5,547	4,341
	<b>191,797</b>	<b>181,567</b>	<b>191,797</b>	<b>181,567</b>
Amortisation of premium, net	(3,532)	(3,017)	(3,532)	(3,017)
Total finance income and hibah	<b>188,265</b>	<b>178,550</b>	<b>188,265</b>	<b>178,550</b>
<b>Other operating income</b>				
Net gain from sale of:				
- financial investments at FVTPL	6	16	6	16
- financial investments at FVOCI	3,632	1,016	3,632	1,016
Unrealised (loss)/gain on revaluation of financial investments at FVTPL	(2)	2	(2)	2
	<b>3,636</b>	<b>1,034</b>	<b>3,636</b>	<b>1,034</b>
<b>Fees and commission</b>				
Guarantee fees	161	194	161	194
Processing fees	360	177	360	177
Service charges and fees	1,708	1,432	1,708	1,432
Commission	6,042	6,457	6,042	6,457
	<b>8,271</b>	<b>8,260</b>	<b>8,271</b>	<b>8,260</b>
<b>Total</b>	<b>200,172</b>	<b>187,844</b>	<b>200,172</b>	<b>187,844</b>

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**19. Income derived from investment of depositors' funds and others (cont'd.)**

**(b) Income derived from investment of other deposits**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
<b>Finance income and hibah</b>				
Income from financing	<b>302,803</b>	285,367	<b>302,803</b>	285,367
Financial investments at FVTPL	<b>54</b>	73	<b>54</b>	73
Financial investments at FVOCI	<b>48,587</b>	47,281	<b>48,587</b>	47,281
Money at call and deposit with financial institutions	<b>10,467</b>	8,149	<b>10,467</b>	8,149
	<b>361,911</b>	340,870	<b>361,911</b>	340,870
Amortisation of premium, net	<b>(6,664)</b>	(5,664)	<b>(6,664)</b>	(5,664)
Total finance income and hibah	<b>355,247</b>	335,206	<b>355,247</b>	335,206
<b>Other operating income</b>				
Net gain from sale of:				
- financial investments at FVTPL	<b>11</b>	29	<b>11</b>	29
- financial investments at FVOCI	<b>6,853</b>	1,908	<b>6,853</b>	1,908
Unrealised (loss)/gain on revaluation of financial investments at FVTPL	<b>(4)</b>	4	<b>(4)</b>	4
	<b>6,860</b>	1,941	<b>6,860</b>	1,941
<b>Fees and commission</b>				
Guarantee fees	<b>303</b>	364	<b>303</b>	364
Processing fees	<b>679</b>	333	<b>679</b>	333
Service charges and fees	<b>3,154</b>	2,689	<b>3,223</b>	2,689
Commission	<b>11,402</b>	12,123	<b>11,402</b>	12,123
	<b>15,538</b>	15,509	<b>15,607</b>	15,509
<b>Total</b>	<b>377,645</b>	352,656	<b>377,714</b>	352,656

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**20. Income derived from investment of shareholders' funds**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
<b>Finance income and hibah</b>				
Financial investments at FVOCI	2,286	2,449	2,286	2,449
Money at call and deposit with financial institutions	525	238	525	238
	<b>2,811</b>	2,687	<b>2,811</b>	2,687
Amortisation of premium,net	(106)	(116)	(106)	(116)
Total finance income and hibah	<b>2,705</b>	2,571	<b>2,705</b>	2,571
<b>Other operating income</b>				
Gains/(losses) on foreign exchange:				
- Realised	11,570	3,365	11,570	3,365
- Unrealised	(4,201)	8,511	(4,201)	8,511
Fair value loss of financial liabilities	(1,058)	(1,240)	(1,058)	(1,240)
Unrealised gain/(loss) on revaluation of financial investments at FVTPL	290	(416)	290	(415)
Gross dividend income:				
- unquoted shares in Malaysia	12	17	-	-
	<b>6,613</b>	10,237	<b>6,601</b>	10,221
<b>Fees and commission</b>				
Corporate advisory fees	1,015	129	752	335
Service charges and fees	-	3,108	14	15
Commission	495	370	495	370
	<b>1,510</b>	3,607	<b>1,261</b>	720
<b>Other income</b>				
Rental income	202	61	232	91
Gain from sale of property,plant and equipment	-	164	-	164
	<b>202</b>	225	<b>232</b>	255
<b>Total</b>	<b>11,030</b>	16,640	<b>10,799</b>	13,767

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**21. Income derived from investment of investment account funds**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
<b>Finance income and hibah</b>				
Income from financing	<b>2,928</b>	2,734	<b>2,928</b>	2,734

**22. Allowance for impairment on financing**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
Expected credit losses on advances and financing made/(written back):				
Financing and advances				
- Stage 1	<b>(885)</b>	(2,082)	<b>(885)</b>	(2,082)
- Stage 2	<b>(4,700)</b>	21,667	<b>(4,700)</b>	21,667
- Stage 3	<b>55,068</b>	32,449	<b>55,068</b>	32,449
Impaired financing written off	<b>141</b>	(42)	<b>141</b>	(42)
Impaired financing recovered	<b>(5,254)</b>	(10,940)	<b>(5,254)</b>	(10,940)
	<b>44,370</b>	41,052	<b>44,370</b>	41,052

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**23. Impairment write-back on financial investments, net**

	Group and Bank	
	31 March 2026 RM'000	31 March 2025 RM'000
Impairment write back on corporate bonds included under FVOCI	(6)	(8)

**24. Allowance for impairment losses on other financial assets, net**

	Group and Bank	
	31 March 2026 RM'000	31 March 2025 RM'000
Cash and short term funds - ECL , net	-	(295)

**25. Income attributable to depositors**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
Deposits from customers:				
Mudharabah funds	-	12	-	12
Non-Mudharabah funds	264,651	277,927	264,747	277,990
Deposits and placements of banks and other financial institutions:				
Non-Mudharabah funds	6,567	7,110	6,567	7,110
	<b>271,218</b>	285,049	<b>271,314</b>	285,112

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**26. Personnel expenses**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
Salary and wages	57,083	56,072	56,580	55,667
Contribution to Employees' Provident Fund	12,944	9,465	12,879	9,406
Social security contributions	771	751	771	751
Allowances and bonuses	9,336	2,574	9,328	2,569
Others	12,239	9,233	12,225	9,190
	<b>92,373</b>	<b>78,095</b>	<b>91,783</b>	<b>77,583</b>

**27. Other overheads and expenditures**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
<b>Promotion</b>				
Advertisement and publicity	3,459	3,906	3,459	3,906
Others	400	883	394	876
<b>Establishment</b>				
Rental	176	145	176	145
Depreciation of property, plant and equipment	2,863	2,848	2,861	2,845
Depreciation of right-of-use assets	2,987	2,394	2,987	2,394
Amortisation of intangible assets	10,441	8,337	10,413	8,317
Information technology expenses	27,923	22,402	27,810	22,350
Repair and maintenance	1,128	1,154	1,128	1,154
Hire of equipment	1,759	2,230	1,642	2,064
Takaful	3,063	2,805	3,063	2,805
Utilities expenses	1,405	1,524	1,397	1,517
Security expenses	2,282	2,483	2,282	2,483
Others	1,734	1,246	1,734	1,246
<b>General expenses</b>				
Auditors' fees	110	152	110	152
Professional fees	1,020	899	1,007	874
Legal expenses	88	80	88	80
Telephone	323	380	323	380
Stationery and printing	444	399	443	398
Postage and courier	1,253	1,157	1,253	1,157
Travelling	544	542	544	542
Directors remuneration and Shariah Committee allowance	985	974	974	956
Others	6,575	5,828	7,011	6,312
	<b>70,962</b>	<b>62,768</b>	<b>71,099</b>	<b>62,953</b>

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**28. Finance cost**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
Dividend paid- subordinated sukuk	9,529	9,517	9,529	9,517
Financing sold to Cagamas	11,460	16,003	11,460	16,003
Lease charges	542	502	542	502
	<b>21,531</b>	<b>26,022</b>	<b>21,531</b>	<b>26,022</b>

**29. Zakat**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
Provision for zakat for the year	1,591	1,387	1,574	1,332

**30. Taxation**

	Group		Bank	
	31 March 2026 RM'000	31 March 2025 RM'000	31 March 2026 RM'000	31 March 2025 RM'000
Current income tax	10,235	13,131	10,242	12,796
(Over)/under provision in prior year	(9)	301	-	-
	<b>10,226</b>	<b>13,432</b>	<b>10,242</b>	<b>12,796</b>
Deferred tax:				
Relating to origination and reversal of temporary differences	5,654	759	5,654	762
Over provision in prior year	(18)	(5)	-	-
	<b>5,636</b>	<b>754</b>	<b>5,654</b>	<b>762</b>
	<b>15,862</b>	<b>14,186</b>	<b>15,896</b>	<b>13,558</b>

Income tax expense is recognised in each interim period based on the best estimate of the annual income tax rate expected for the full financial year. The effective tax rate for the current interim period was higher than the statutory tax rate principally due to certain expenses which are not deductible for tax purposes.

Domestic current income tax is calculated at the statutory tax rate of 24% (31 December 2025: 24%) of the estimated assessable profit for the period.

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**31. Credit exposures arising from credit transactions with connected parties**

	<b>Group</b>	
	<b>31 March 2026 RM'000</b>	<b>31 March 2025 RM'000</b>
Outstanding credit exposures with connected parties (RM'000)	<b>3,085,632</b>	2,586,344
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	<b>6.5%</b>	5.7%
Percentage of outstanding credit exposures with connected parties which is non-performing or in default	<b>0.0%</b>	0.0%
	<b>Bank</b>	
	<b>31 March 2026 RM'000</b>	<b>31 March 2025 RM'000</b>
Outstanding credit exposures with connected parties (RM'000)	<b>3,242,505</b>	2,828,693
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	<b>6.9%</b>	6.2%
Percentage of outstanding credit exposures with connected parties which is non-performing or in default	<b>0.0%</b>	0.0%

The credit exposures above are derived based on Bank Negara Malaysia's revised Guidelines on Credit Transaction and Exposures with Connected Parties, which are issued on 16 July 2014.

Credit transactions and exposures to connected parties as disclosed above includes the extension of credit facilities and/or off-balance sheet credit exposures such as guarantees, trade-related facilities and financing commitments. It also includes holdings of equities and private debt securities issued by the connected parties.

The credit transactions with connected parties mentioned above are all transacted on an arm's length basis and on terms and conditions no more favourable than those entered into with other counterparties with similar circumstances and credit worthiness. Due care has been taken to ensure that the credit worthiness of the connected party is not less than that normally required of other persons.

**32. Commitments and contingencies**

- (i) In the normal course of business, the Group and the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

Risk weighted exposures of the Group and the Bank are as follows:

	<b>Group and Bank</b>					
	<b>31 March 2026</b>			<b>31 December 2025</b>		
The commitments and contingencies constitute the following:	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Total risk weighted amount RM'000</b>	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Total risk weighted amount RM'000</b>
<b>Contingent liabilities</b>						
Direct credit substitutes	<b>972,096</b>	<b>972,096</b>	<b>933,154</b>	964,294	964,294	933,859
Trade-related contingencies	<b>355,493</b>	<b>71,099</b>	<b>8,666</b>	387,443	77,489	9,422
Transaction-related contingencies	<b>500,324</b>	<b>250,162</b>	<b>233,463</b>	496,576	248,288	233,613
<b>Commitments</b>						
Credit extension commitment:						
- Maturity within one (1) year	<b>1,041,013</b>	<b>208,203</b>	<b>187,812</b>	906,304	181,261	161,252
- Maturity exceeding one (1) year	<b>1,554,159</b>	<b>777,080</b>	<b>331,690</b>	1,352,362	676,181	311,145
Other miscellaneous commitments & contingencies	<b>605,856</b>	<b>99,754</b>	<b>75,027</b>	561,878	90,151	67,750
<b>Islamic derivative financial instruments</b>						
Foreign exchange related contracts	<b>1,889,960</b>	<b>35,931</b>	<b>30,227</b>	1,571,402	37,100	28,005
	<b>6,918,901</b>	<b>2,414,325</b>	<b>1,800,039</b>	6,240,259	2,274,764	1,745,046

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**33. Capital adequacy**

**(a) Capital Adequacy Framework**

- (i) Bank Negara Malaysia ("BNM") had on 14 June 2024 issued the Capital Adequacy Framework for Islamic Banks (Capital Components) on the computation of capital and capital adequacy ratios for Islamic banks. All financial institutions shall hold and maintain at all times, the following minimum capital adequacy ratios:

Common Equity Tier 1 (CET1) Ratio	Tier 1 Capital Ratio	Total Capital Ratio
4.50%	6.00%	8.00%

\*In addition, BNM had introduced Capital Conservation Buffer of 2.5% of total risk weighted assets ("RWA") as well as Countercyclical Capital Buffer ranging between 0% - 2.5% of total RWA.

- (ii) Total RWA is calculated as the sum of credit RWA, market RWA, operational RWA and large exposure risk requirements as determined in accordance with Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued by BNM on 18 December 2023 for Islamic banks.

Any exposures which are deducted in the calculation of CET1 Capital, Tier 1 Capital and Total Capital is not subjected to any further capital charges in the computation of RWA.

**(b) Compliance and Application of Capital Adequacy Ratios**

The capital adequacy ratio of the Bank are computed in accordance with BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Bank (Risk Weighted Assets). The total risk weighted assets are computed based on the following approaches:

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

The minimum regulatory capital adequacy requirements for CET1, Tier 1, and Total Capital are 4.5%, 6.0% and 8.0% of total RWA.

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**33. Capital adequacy (cont'd.)**

(c) The capital adequacy ratio of the Group/Bank is as follows:

	Group		Bank	
	31 March 2026 RM'000	31 December 2025 RM'000	31 March 2026 RM'000	31 December 2025 RM'000
<b>Computation of Total Risk Weighted Assets ("RWA")</b>				
Total credit RWA	23,867,078	24,153,813	23,864,403	24,192,227
Less: Credit risk absorbed by profit-sharing investment account ("PSIA")	(1,272,978)	(1,114,082)	(1,272,978)	(1,114,082)
Total market RWA	92,397	83,806	92,397	83,806
Total operational RWA	1,569,841	1,508,404	1,575,575	1,509,588
<b>Total RWA</b>	<b>24,256,338</b>	<b>24,631,941</b>	<b>24,259,397</b>	<b>24,671,539</b>
<b>Computation of Capital Ratio</b>				
<b>Tier-I capital</b>				
Share capital	1,195,000	1,195,000	1,195,000	1,195,000
Retained profits	2,054,636	2,026,644	2,049,585	2,021,415
<b>Other Reserves</b>				
Regulatory reserve	129,940	122,492	129,940	122,492
FVOCI reserve	(46,836)	(15,183)	(46,836)	(15,183)
Foreign exchange translation reserve	8,081	8,093	8,080	8,093
<b>Regulatory Adjustment</b>				
Deferred tax assets	(45,580)	(41,407)	(45,659)	(41,426)
Investment property gain	(12,393)	(12,393)	(12,393)	(12,393)
Regulatory reserve	(129,940)	(122,492)	(129,940)	(122,492)
Investment in subsidiaries	-	-	(13,159)	(13,159)
Cumulative gains of financing measured at FVTPL	(10,082)	(11,140)	(10,082)	(11,140)
Intangible asset (net of deferred tax liabilities)	(123,151)	(126,484)	(122,856)	(126,162)
<b>Total Common Equity Tier-I Capital</b>	<b>3,019,675</b>	<b>3,023,130</b>	<b>3,001,680</b>	<b>3,005,045</b>
<b>Additional Tier-1 Capital</b>				
Perpetual Sukuk	350,000	350,000	350,000	350,000
<b>Total Tier-I Capital</b>	<b>3,369,675</b>	<b>3,373,130</b>	<b>3,351,680</b>	<b>3,355,045</b>
<b>Tier-II capital</b>				
Subordinated sukuk	800,000	800,000	800,000	800,000
Loss provision and regulatory reserve*	282,426	287,997	282,393	288,477
Add: Investment property gain	5,577	5,577	5,577	5,577
<b>Total Tier-II Capital</b>	<b>1,088,003</b>	<b>1,093,574</b>	<b>1,087,970</b>	<b>1,094,054</b>
<b>Total Capital Base</b>	<b>4,457,678</b>	<b>4,466,704</b>	<b>4,439,650</b>	<b>4,449,099</b>
<b>Ratio (%)</b>				
CET 1 Capital	12.449%	12.273%	12.373%	12.180%
Tier 1 Capital	13.892%	13.694%	13.816%	13.599%
Total Capital	18.377%	18.134%	18.301%	18.033%

\* Tier 2 Capital comprise collective allowance on non-impaired financing customers and regulatory reserve, subject to maximum of 1.25% of total credit risk-weighted assets less credit risk absorbed by profit sharing investment account.

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**33. Capital adequacy (cont'd.)**

The current year's core capital ratios and risk-weighted capital ratios were computed using reported amounts which form part of the current year financial statements which have been prepared in accordance with MFRS.

(b) Credit risk disclosure by risk weights of the Group are as follows:

	Group			
	31 March 2026			31 December 2025
	Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000	Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000
0%	14,523,388	-	15,244,436	-
20%	5,161,919	1,032,384	4,864,457	972,891
35%	3,930,903	1,375,816	3,930,557	1,375,695
50%	1,757,367	878,684	1,713,221	856,611
75%	5,057,197	3,792,898	4,875,133	3,656,350
100%	16,712,498	16,712,498	17,211,260	17,211,260
150%	49,866	74,798	54,004	81,006
<b>Risk weighted assets for credit risk</b>	<b>47,193,138</b>	<b>23,867,078</b>	<b>47,893,068</b>	<b>24,153,813</b>
<b>Less: Credit risk absorbed by PSIA</b>		<b>(1,272,978)</b>		<b>(1,114,082)</b>
<b>Total risk weighted assets</b>		<b><u>22,594,100</u></b>		<b><u>23,039,731</u></b>

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33. Capital adequacy (cont'd.)

(b) Credit risk disclosure by risk weights of the Bank are as follows:

	Bank			
	31 March 2026		31 December 2025	
	Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000	Total exposures after netting and credit risk mitigation RM'000	Total risk weighted assets RM'000
0%	14,523,388	-	15,244,436	-
20%	5,161,919	1,032,384	4,864,457	972,891
35%	3,930,902	1,375,816	3,930,557	1,375,695
50%	1,757,367	878,684	1,713,221	856,611
75%	5,057,197	3,792,898	4,875,133	3,656,350
100%	16,709,823	16,709,823	17,249,674	17,249,674
150%	49,866	74,798	54,004	81,006
<b>Risk weighted assets for credit risk</b>	<b>47,190,462</b>	<b>23,864,403</b>	47,931,482	24,192,227
<b>Less: Credit risk absorbed by PSIA</b>		<b>(1,272,978)</b>		<b>(1,114,082)</b>
<b>Total risk weighted assets</b>		<b><u>22,591,425</u></b>		<b><u>23,078,145</u></b>

### **34. Fair values of financial instruments**

#### **(a) Financial instruments measured at fair value**

##### **Determination of fair value and the fair value hierarchy**

MFRS 7 Financial Instruments: Disclosures require the classification of financial instruments held at fair value according to a hierarchy that reflects the significance of inputs used in making the measurements, in particular, whether the inputs used are observable or unobservable. The following levels of hierarchy are used for determining and disclosing the fair value of financial instruments:

Level 1 - quoted market prices: quoted prices (unadjusted) in active markets for identical instruments;

Level 2 - valuation techniques based on observable inputs: inputs other than quoted prices included within Level 1 that are observable for the instrument, whether directly (ie. prices) or indirectly (ie. derived from prices), are used; and

Level 3 - valuation techniques using significant unobservable inputs: inputs used are not based on observable market data and the unobservable inputs have a significant impact on the instrument's valuation.

Where such quoted and observable market prices are not available, fair values are determined using appropriate valuation techniques, which include the use of mathematical models, such as discounted cash flow models and option pricing models, comparison to similar instruments for which market observable prices exist and other valuation techniques. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date, that would have been determined by market participants acting at arm's length. Valuation techniques used incorporate assumptions regarding discount rates, profit rate yield curves, estimates of future cash flows and other factors. Changes in these assumptions could materially affect the fair values derived. The Bank generally uses widely recognised valuation techniques with market observable inputs for the determination of fair value, which require minimal management judgement and estimation, due to the low complexity of the financial instruments held.

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**34. Fair values of financial instruments (cont'd.)**

**(a) Financial instruments measured at fair value (cont'd.)**

**Determination of fair value and the fair value hierarchy (cont'd.)**

The following Table shows the financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy:

Group	<u>Valuation technique using</u>			Total RM'000
	Quoted	Observable	Unobservable	
	Market Price Level 1 RM'000	Inputs Level 2 RM'000	Inputs Level 3 RM'000	
<b>31 March 2026</b>				
<b>Financial assets</b>				
Financial investments at FVTPL	-	21,885	-	21,885
Financial investments at FVOCI	76,455	7,415,915	11,180	7,503,550
Islamic derivative financial assets	-	8,021	-	8,021
Financing of customers	-	-	286,721	286,721
Total financial assets measured at fair value	<b>76,455</b>	<b>7,445,821</b>	<b>297,901</b>	<b>7,820,177</b>
<b>Financial liabilities</b>				
Islamic derivative financial assets	-	25,644	-	25,644
Total financial liabilities measured at fair value	-	<b>25,644</b>	-	<b>25,644</b>

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**34. Fair values of financial instruments (cont'd.)**

**(a) Financial instruments measured at fair value (cont'd.)**

**Determination of fair value and the fair value hierarchy (cont'd.)**

Group (cont'd.)	Quoted Market Price Level 1 RM'000	Valuation technique using		Total RM'000
		Observable Inputs Level 2 RM'000	Unobservable Inputs Level 3 RM'000	
<b>31 December 2025</b>				
<b>Financial assets</b>				
Financial investments at FVTPL	-	72,173	-	72,173
Financial investments at FVOCI	84,863	7,808,206	14,826	7,907,895
Islamic derivative financial assets	-	13,549	-	13,549
Financing of customers	-	-	288,554	288,554
Total financial assets measured at fair value	84,863	7,893,928	303,380	8,282,171
<b>Financial liabilities</b>				
Islamic derivative financial liabilities	-	26,972	-	26,972
Total financial liabilities measured at fair value	-	26,972	-	26,972

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**34. Fair values of financial instruments (cont'd.)**

**(a) Financial instruments measured at fair value (cont'd.)**

**Determination of fair value and the fair value hierarchy (cont'd.)**

<b>Bank</b>	<b>Quoted Market Price Level 1 RM'000</b>	<b>Valuation technique using</b>		<b>Total RM'000</b>
		<b>Observable Inputs Level 2 RM'000</b>	<b>Unobservable Inputs Level 3 RM'000</b>	
<b>31 March 2026</b>				
<b>Financial assets</b>				
Financial investments at FVTPL	-	19,977	-	19,977
Financial investments at FVOCI	76,455	7,415,915	11,180	7,503,550
Islamic derivative financial assets	-	8,021	-	8,021
Financing of customers	-	-	286,721	286,721
Total financial assets measured at fair value	<b>76,455</b>	<b>7,443,913</b>	<b>297,901</b>	<b>7,818,269</b>
<b>Financial liabilities</b>				
Islamic derivative financial liabilities	-	25,644	-	25,644
Total financial liabilities measured at fair value	-	25,644	-	25,644

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**34. Fair values of financial instruments (cont'd.)**

**(a) Financial instruments measured at fair value (cont'd.)**

**Determination of fair value and the fair value hierarchy (cont'd.)**

<b>Bank (cont'd.)</b>	<b>Quoted Market Price Level 1 RM'000</b>	<b>Valuation technique using</b>		<b>Total RM'000</b>
		<b>Observable Inputs Level 2 RM'000</b>	<b>Unobservable Inputs Level 3 RM'000</b>	
<b>31 December 2025</b>				
<b>Financial assets</b>				
Financial investments at FVTPL	-	70,277	-	70,277
Financial investments at FVOCI	84,863	7,808,206	14,826	7,907,895
Islamic derivative financial assets	-	13,549	-	13,549
Financing of customers	-	-	288,554	288,554
Total financial assets measured at fair value	84,863	7,892,032	303,380	8,280,275
<b>Financial liabilities</b>				
Islamic derivative financial assets	-	26,972	-	26,972
Total financial liabilities measured at fair value	-	26,972	-	26,972



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**35. Segment information**

**(a) Business segments (cont'd.)**

The Bank is organised into three (3) major business segments:

- (i) Business banking - this segment comprises the full range of products and services offered to business customers in the region, ranging from large corporates and the public sector and also commercial enterprises. The products and services offered include long-term financing such as project financing, short-term credit (e.g Muamalat Cashline and trade financing), and fee-based services (e.g cash management).
- (ii) Consumer banking - this segment comprises the full range of products and services offered to individual customers in Malaysia, including savings accounts, current accounts, fixed term accounts, remittance services, internet banking services, cash management services, consumer financing such as mortgage financing, personal financing, hire purchases financing, micro financing, wealth management and bancatakaful products.
- (iii) Treasury - this segment comprises the full range of products and services relating to treasury activities and services, including foreign exchange, money market, derivatives and trading of capital market securities.

Other business segments include rental services, none of which is of sufficient size to be reported separately.

Group	Business banking	Consumer banking	Treasury	Others	Total
31 March 2026	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	<b>106,794</b>	<b>382,728</b>	<b>101,136</b>	<b>1,117</b>	<b>591,775</b>
<b>Total income</b>	<b>47,126</b>	<b>158,522</b>	<b>19,682</b>	<b>85,442</b>	<b>310,772</b>
Write-back of /(allowance for) impairment on financing	<b>1,839</b>	<b>(46,208)</b>	-	<b>(1)</b>	<b>(44,370)</b>
Write-back of impairment on investments	-	-	<b>6</b>	-	<b>6</b>
Other expenses	-	-	-	<b>(18,762)</b>	<b>(18,762)</b>
<b>Total net income</b>	<b>48,965</b>	<b>112,314</b>	<b>19,688</b>	<b>66,679</b>	<b>247,646</b>
Total overhead expenses					<b>(184,866)</b>
<b>Profit before zakat and taxation</b>					<b>62,780</b>
Zakat					<b>(1,591)</b>
Taxation					<b>(15,862)</b>
<b>Profit for the period</b>					<b>45,327</b>

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## 35. Segment information (cont'd.)

## (a) Business segments (cont'd.)

<b>Group</b>	<b>Business banking</b>	<b>Consumer banking</b>	<b>Treasury</b>	<b>Others</b>	<b>Total</b>
<b>31 March 2025</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	110,578	351,039	93,392	4,865	559,874
<b>Total income</b>	58,138	149,340	(9,129)	76,421	274,770
(Allowance for)/write-back of impairment on financing	(1,449)	(40,688)	1,085	-	(41,052)
Write-back of impairment on investments	-	-	8	-	8
Write-back of impairment on other financial assets, net	-	-	295	-	295
Other expenses	-	-	-	(11,249)	(11,249)
<b>Total net income</b>	56,689	108,652	(7,741)	65,172	222,772
Total overhead expenses					(166,885)
<b>Profit before zakat and taxation</b>					55,887
Zakat					(1,387)
Taxation					(14,186)
<b>Profit for the period</b>					40,314

  

<b>Bank</b>	<b>Business banking</b>	<b>Consumer banking</b>	<b>Treasury</b>	<b>Others</b>	<b>Total</b>
<b>31 March 2026</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue	106,794	382,728	101,136	955	591,613
<b>Total Income</b>	47,126	158,522	19,682	85,184	310,514
Write-back of /(allowance for) impairment on financing	1,839	(46,208)	-	(1)	(44,370)
Write-back of impairment on investments	-	-	6	-	6
Other expenses	-	-	-	(18,762)	(18,762)
<b>Total net income</b>	48,965	112,314	19,688	66,421	247,388
Total overhead expenses					(184,413)
<b>Profit before zakat and taxation</b>					62,975
Zakat					(1,574)
Taxation					(15,896)
<b>Profit for the period</b>					45,505

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## 35. Segment information (cont'd.)

## (a) Business segments (cont'd.)

<b>Bank 31 March 2025</b>	<b>Business banking RM'000</b>	<b>Consumer banking RM'000</b>	<b>Treasury RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
Revenue	110,578	351,039	93,392	1,992	557,001
<b>Total Income</b>	58,138	149,340	(9,129)	73,485	271,834
(Allowance for)/write-back of impairment on financing	(1,449)	(40,688)	1,085	-	(41,052)
Write-back of impairment on investments	-	-	8	-	8
Write-back of impairment on other financial assets, net	-	-	295	-	295
Other expenses	-	-	-	(11,249)	(11,249)
<b>Total net income</b>	56,689	108,652	(7,741)	62,236	219,836
Total overhead expenses					(166,558)
<b>Profit before zakat and taxation</b>					53,278
Zakat					(1,332)
Taxation					(13,558)
<b>Profit for the period</b>					<b>38,388</b>

## 36. Performance review and outlook

Performance review : Current Year-to-date vs. Previous Year-to-date

Key Profit or Loss Items:	Group 3 months ended			
	31 March 2026 RM'000	31 March 2025 RM'000	Variance	
			RM'000	%
Revenue	591,775	559,874	31,901	5.7
Income attributable to depositors	(281,003)	(285,104)	4,101	(1.4)
Net Income	247,646	222,772	24,874	11.2
Profit Before Zakat and Tax ("PBZT")	62,780	55,887	6,893	12.3
Profit After Zakat and Tax ("PAZT")	45,327	40,314	5,013	12.4

Bank Muamalat Group recorded a 12.4% year-on-year increase in profit after zakat and tax ("PAZT") to RM45.3 million for the three-month period ended 31 March 2026. The improvement was primarily driven by higher financing and investment income, underpinned by improved income yield following last year's implementation of PASCAL strategy, despite operating in a lower OPR environment.

Income attributable to depositors declined by 1.4% year-on-year to RM281.0 million, reflecting lower funding costs arising from an improved funding mix with higher retail deposit composition, further supported by the 25 bps OPR reduction by BNM. Coupled with higher funded income, this resulted in a meaningful expansion in margin, with Group NIM increasing to 2.24%, an increase of 23 basis points from 2.01% recorded in the same corresponding period of 2025. Industry's NIM is at 2.03%.

Net allowance for impairment on financing and advances increased by RM3.6 million or 8.9% to RM44.4 million during the quarter. The level of impairment allowance charges remains broadly in line with the corresponding period last year, reflecting seasonal factors typically observed during the festive period. Looking ahead, the Group expects improvement in its impairment allowance levels in the second quarter of 2026, supported by intensified recovery and collection efforts.

Total overheads for the period ended 31 March 2026 recorded an increase by RM22.5 million or 16.0% compared to the corresponding period in 2025. The increase was mainly due to higher personnel expenses and establishment expenses by RM14.3 million and RM8.2 million respectively.

As at March 2026, total assets expanded 3.4% year on year to RM44.8 billion, driven mainly by growth in financing, short-term fund and investment in securities.

Gross financing rose 4.7% to RM34.4 billion, while deposits and investment accounts grew by 5.0% to RM38.0 billion. CASA and investment accounts ("CASATIA") stood at RM38.0 billion, with a healthy CASA ratio of 31.31%.

The gross impaired financing (GIF) ratio increased to 1.52% during the quarter compared to 1.19% in first quarter 2025, representing a 33 bps year-on-year increase, largely in line with the expansion of the financing base as business grew. Notwithstanding this, asset quality remains manageable, and the Group expects the GIF ratio to trend lower and softened in line with industry forecasts for FY2026 of between 1.40% and 1.50%, supported by ongoing recovery efforts.

The Group's capital position strengthened during the period, with the CET1 capital ratio increasing to 12.45% (March 2025: 11.05%). In addition, the Tier 1 capital ratio improved to 13.89%, compared to 12.43% in March 2025, demonstrating a strong capital position for the Group.

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**36. Performance review and outlook (cont'd.)**

**Performance review : Current quarter vs. preceding quarter's (Q1 2026 vs Q4 2025)**

	Group 3 months ended			
	31 March 2026 RM'000	31 Dec 2025 RM'000	Variance	
			RM'000	%
<b>Key Profit or Loss Items:</b>				
Revenue	591,775	592,552	(777)	(0.1)
Income attributable to depositors	(281,003)	(290,502)	9,499	(3.3)
Net Income	247,646	243,048	4,598	1.9
Profit Before Zakat and Tax ("PBZT")	62,780	63,304	(524)	(0.8)
Profit After Zakat and Tax ("PAZT")	45,327	45,473	(146)	(0.3)

For the three months ended 31 March 2026, Bank Muamalat Group recorded Profit After Zakat and Tax of RM45.3 million, marginally lower by 0.3% compared to RM45.5 million in the immediate preceding quarter. This was despite a 1.9% or RM4.6 million quarter-on-quarter improvement in net income, reflecting stronger core income performance. The marginal decline in PAZT was primarily attributable to higher operating expenses and increased impairment allowance, the latter reflecting seasonal provisioning patterns typically observed in the first quarter, particularly around the festive period.

Income attributable to depositors improved quarter-on-quarter, declining by 3.3% or RM9.5 million to RM281.0 million in the first quarter 2026, reflecting continued reduction in funding costs. This was driven by an improved funding mix, particularly higher retail deposit contribution. The Group's funding costs have been on a consistent downward trend since the first quarter 2025, reinforcing margin resilience and supporting overall earnings quality.

Total overheads increased by RM6.0 million or 3.7% quarter-on-quarter compared to last quarter, primarily reflecting continued investments in personnel, higher ICT expenses following the full launch of the ATLAS digital banking platform, as well as targeted marketing initiatives to support future growth and customer acquisition.

Net impairment allowances on financing and investments increased by RM3.1 million or 7.4% quarter-on-quarter, primarily due to higher Expected Credit Loss (ECL) provisions for Retail Financing following the implementation of a more prudent AKPK staging approach effective January 2026.

**Outlook**

Malaysia's economy expanded by 5.3% year-on-year in the first quarter of 2026, based on advance estimates by DOSM. The outturn reflects a moderation from 6.3% in the preceding quarter. On a quarter-on-quarter seasonally adjusted basis, GDP contracted by 4.4% (4Q2025: +3.3%), largely reflecting a pullback from the previous quarter's elevated base rather than a deterioration in underlying activity.

Growth was supported by services, manufacturing, construction and agriculture, while the mining sector recorded a contraction during the quarter. The services sector expanded by 5.4% year-on-year, underpinned by wholesale and retail trade, information and communication, and transportation and storage, indicating continued support from domestic-oriented activities. Manufacturing grew by 5.8%, driven by sustained output in electrical and electronic products alongside food processing and metal-related industries, suggesting that external demand conditions remain supportive.

**36. Performance review and outlook (cont'd.)**

**Outlook (cont'd.)**

Construction growth moderated to 7.8% (4Q2025: 11.0%), with activity led by non-residential and specialised construction segments, reflecting ongoing project execution albeit from a high base. Agriculture expanded by 2.8%, supported by oil palm and livestock, while mining contracted by 1.1% due to lower crude oil and natural gas production.

Looking ahead, growth is expected to moderate in 2026 following the strong outturn in 2025. Domestic demand is likely to remain supportive, underpinned by stable labour market conditions, continued consumption and ongoing government measures, alongside sustained investment activity, particularly in infrastructure and data centre-related projects. On the external front, while the technology upcycle may continue to provide some support, heightened geopolitical tensions and evolving trade conditions present downside risks to the outlook, potentially affecting trade, investment and overall confidence.

For the Bank, the current growth trajectory should continue to provide a supportive environment for financing activities. At the same time, early signs of a slight uptick in impairments in recent months warrant closer monitoring, particularly among lower-income segments as cost pressures persist. Nonetheless, the more uncertain external backdrop warrants continued monitoring, as shifts in global demand and sentiment could influence business activity and credit dynamics going forward.