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

UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

Company No. 196501000376 (6175-W)

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(Incorporated in Malaysia)

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Bank Muamalat Malaysia Berhad
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026 (14 MUHARRAM 1448H)

	Note	Group As at 30 June 2026 RM'000	Group As at 31 December 2025 RM'000	Bank As at 30 June 2026 RM'000	Bank As at 31 December 2025 RM'000
Assets					
Cash and short-term funds		**2,813,348**	2,588,998	**2,813,348**	2,588,998
Deposits and placements with licensed financial institutions		**531,199**	501,361	**531,199**	501,361
Financial investments at fair value through profit or loss	7(i)	**62,870**	72,173	**60,949**	70,277
Financial investments at fair value through other comprehensive income	7(ii)	**7,367,484**	7,907,895	**7,367,484**	7,907,895
Financial investments at amortised cost	7(iii)	**257,755**	-	**257,755**	-
Islamic derivative financial assets	8	**13,095**	13,549	**13,095**	13,549
Financing of customers	9	**34,374,101**	33,770,816	**34,374,101**	33,770,816
Other assets	10	**156,701**	117,157	**156,097**	157,479
Statutory deposits with Bank Negara Malaysia		**350,000**	365,000	**350,000**	365,000
Investment in subsidiaries		**-**	-	**13,159**	13,159
Investment properties		**60,786**	60,786	**60,786**	60,786
Intangible assets		**156,762**	151,809	**156,484**	151,487
Right-of-use assets		**46,596**	46,978	**46,596**	46,978
Property, plant and equipment		**54,484**	53,622	**54,476**	53,610
Deferred tax assets	11	**19,560**	16,082	**19,562**	16,101
Total assets		**46,264,741**	45,666,226	**46,275,091**	45,717,496
Liabilities					
Deposits from customers	12	**37,343,761**	37,390,060	**37,358,397**	37,447,369
Investment accounts of customers	14	**1,495,433**	1,212,983	**1,495,433**	1,212,983
Deposits and placements of banks and other financial institutions	13	**1,169,429**	966,945	**1,169,429**	966,945
Obligation on financial assets sold under repurchase agreement		**295,847**	100,037	**295,847**	100,037
Bills and acceptances payable		**9,149**	11,375	**9,149**	11,375
Islamic derivative financial liabilities	8	**3,957**	26,972	**3,957**	26,972
Other liabilities	15	**156,100**	197,668	**156,697**	197,877
Lease Liabilities		**49,677**	49,898	**49,676**	49,898
Provision for zakat and taxation	16	**3,142**	10,689	**3,081**	9,670
Recourse obligation on financing sold to Cagamas	17	**1,205,909**	1,205,940	**1,205,909**	1,205,940
Subordinated sukuk	18	**809,090**	807,858	**809,090**	807,858
Total liabilities		**42,541,494**	41,980,425	**42,556,665**	42,036,924

INTERIM FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026 (14 MUHARRAM 1448H) - (CONT'D.)

		Group		Bank	
		As at 30 June 2026	As at 31 December 2025	As at 30 June 2026	As at 31 December 2025
	Note	RM'000	RM'000	RM'000	RM'000
Shareholders' equity					
Share capital		**1,195,000**	1,195,000	**1,195,000**	1,195,000
Reserves		**2,179,492**	2,142,046	**2,174,671**	2,136,817
Equity attributable to owners of the Bank		**3,374,492**	3,337,046	**3,369,671**	3,331,817
Perpetual Sukuk		**348,755**	348,755	**348,755**	348,755
Total Shareholders' equity		**3,723,247**	3,685,801	**3,718,426**	3,680,572
Total liabilities and shareholders' equity		**46,264,741**	45,666,226	**46,275,091**	45,717,496
Restricted investment accounts	14	**20**	20	**20**	20
Total Islamic banking asset and asset under management		**46,264,761**	45,666,246	**46,275,111**	45,717,516
Commitments and contingencies	32	**6,848,494**	6,240,259	**6,848,494**	6,240,259
Capital adequacy *					
CET 1 capital ratio	33	**12.020%**	12.273%	**11.947%**	12.180%
Tier 1 capital ratio	33	**13.439%**	13.694%	**13.366%**	13.599%
Total capital ratio	33	**17.867%**	18.134%	**17.794%**	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 FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

Group	Note	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Income derived from investment of depositors' funds and others	19	**599,514**	552,306	**1,177,333**	1,092,810
Income derived from investment of shareholders' funds	20	**8,662**	11,706	**19,691**	28,347
Income derived from investment of investment account funds	21	**3,134**	1,878	**6,061**	4,612
(Allowance for)/writeback of impairment on financing	22	**(52,709)**	9,520	**(97,078)**	(31,531)
Writeback of /(allowance for) impairment losses on financial investments, net	23	**1,569**	(14)	**1,575**	(6)
(Allowance for)/writeback of impairment losses on other financial assets, net	24	**(61)**	(205)	**(61)**	90
Other expenses directly attributable to the investment of the depositors and shareholders' funds		**(21,094)**	(12,517)	**(39,856)**	(23,766)
Total distributable income		**539,015**	562,674	**1,067,665**	1,070,556
Income attributable to depositors	25	**(270,767)**	(287,464)	**(541,985)**	(572,513)
Income attributable to investment account holders		**(10,914)**	(543)	**(20,699)**	(599)
Total net income		**257,334**	274,667	**504,981**	497,444
Personnel expenses	26	**(100,387)**	(85,291)	**(192,759)**	(163,386)
Other overheads and expenditures	27	**(74,103)**	(59,721)	**(145,063)**	(122,495)
Finance costs	28	**(22,794)**	(22,625)	**(44,326)**	(48,646)
Profit before zakat and taxation		**60,050**	107,030	**122,833**	162,917
Zakat	29	**(1,550)**	(2,812)	**(3,141)**	(4,199)
Taxation	30	**(14,994)**	(23,811)	**(30,857)**	(37,997)
Profit for the period		**43,506**	80,407	**88,835**	120,721
Earnings per share attributable to shareholders of the Bank (sen) (basic and diluted):				**14.87**	20.20

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 FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

		3 months ended		**6 months ended**	
		30 June 2026	**30 June 2025**	**30 June 2026**	**30 June 2025**
Bank	**Note**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Income derived from investment of depositors' funds and others	19	**599,582**	552,306	**1,177,470**	1,092,810
Income derived from investment of shareholders' funds	20	**8,393**	14,135	**19,192**	27,902
Income derived from investment of investment account funds	21	**3,134**	1,878	**6,061**	4,612
(Allowance for)/writeback of impairment on financing	22	**(52,709)**	9,520	**(97,078)**	(31,531)
Writeback of /(allowance for) impairment losses on financial investments, net	23	**1,569**	(14)	**1,575**	(6)
(Allowance for)/writeback of impairment losses on other financial assets, net	24	**(61)**	(205)	**(61)**	90
Other expenses directly attributable to the investment of the depositors and shareholders' funds		**(21,094)**	(12,517)	**(39,856)**	(23,766)
Total distributable income		**538,814**	565,103	**1,067,303**	1,070,111
Income attributable to depositors	25	**(270,824)**	(287,526)	**(542,138)**	(572,639)
Income attributable to investment account holders		**(10,914)**	(543)	**(20,699)**	(599)
Total net income		**257,076**	277,034	**504,466**	496,873
Personnel expenses	26	**(99,753)**	(84,811)	**(191,537)**	(162,393)
Other overheads and expenditures	27	**(74,300)**	(59,953)	**(145,396)**	(122,911)
Finance costs	28	**(22,794)**	(22,625)	**(44,326)**	(48,646)
Profit before zakat and taxation		**60,229**	109,645	**123,207**	162,923
Zakat	29	**(1,506)**	(2,741)	**(3,080)**	(4,073)
Taxation	30	**(14,987)**	(23,301)	**(30,884)**	(36,859)
Profit for the period		**43,736**	83,603	**89,243**	121,991
Earnings per share attributable to shareholders of the Bank (sen) (basic and diluted):				**14.94**	**20.42**

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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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

Group	Note	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Profit for the period		**43,506**	80,407	**88,835**	120,721
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss					
Net (loss)/gain on financial investments at fair value through other comprehensive income		**(1,448)**	64,714	**(33,095)**	53,798
- Net (loss)/gain on change in fair value		**(41,222)**	24,561	**(26,962)**	84,996
- Changes in expected credit losses	7(ii)	**44,332**	67,101	**(7)**	6
- Income tax effect	11	**841**	(13,612)	**9,758**	(14,944)
- Realised gain transferred to profit or loss on disposal	19 & 20	**(5,399)**	(13,336)	**(15,884)**	(16,260)
Exchange fluctuation reserve		**(460)**	2,722	**(473)**	3,158
Items that may not be reclassified subsequently to profit or loss					
Net unrealised loss on equity securities at fair value through other comprehensive income		**(5,098)**	(7,606)	**(6,739)**	(36,757)
Other comprehensive (loss)/gain for the period, net of tax		**(7,006)**	59,830	**(40,307)**	20,199
Total comprehensive income for the period		**36,500**	140,237	**48,528**	140,920

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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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

		3 months ended		6 months ended	
		30 June 2026	30 June 2025	30 June 2026	30 June 2025
Bank	Note	RM'000	RM'000	RM'000	RM'000
Profit for the period		**43,736**	83,603	**89,243**	121,991
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss					
Net (loss)/gain on financial investments at fair value through other comprehensive income		**(1,448)**	64,714	**(33,095)**	53,798
- Net (loss)/gain on change in fair value		**(41,222)**	24,561	**(26,962)**	84,996
- Changes in expected credit losses	7(ii)	**44,332**	67,101	**(7)**	6
- Income tax effect	11	**841**	(13,612)	**9,758**	(14,944)
- Realised gain transferred to profit or loss on disposal	19 & 20	**(5,399)**	(13,336)	**(15,884)**	(16,260)
Exchange fluctuation reserve		**(460)**	2,722	**(473)**	3,158
Items that may not be reclassified subsequently to profit or loss					
Net unrealised loss on equity securities at fair value through other comprehensive income		**(5,098)**	(7,606)	**(6,739)**	(36,757)
Other comprehensive (loss)/gain for the period, net of tax		**(7,006)**	59,830	**(40,307)**	20,199
Total comprehensive income for the period		**36,730**	143,433	**48,936**	142,190

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 FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

		Non-distributable				Distributable	
Group	**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**	**Total Equity RM'000**
At 1 January 2026	**1,195,000**	**348,755**	**(15,183)**	**122,492**	**8,093**	**2,026,644**	**3,685,801**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**88,835**	**88,835**
Other comprehensive loss for the period	**-**	**-**	**(39,834)**	**-**	**(473)**	**-**	**(40,307)**
Total comprehensive (loss)/income for the period	**-**	**-**	**(39,834)**	**-**	**(473)**	**88,835**	**48,528**
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	**-**	**-**	**(865)**	**-**	**-**	**865**	**-**
Transfer from regulatory reserve	**-**	**-**	**-**	**4,224**	**-**	**(4,224)**	**-**
Transaction with Owners							
Distribution to Perpetual Sukuk holders	**-**	**-**	**-**	**-**	**-**	**(11,082)**	**(11,082)**
At 30 June 2026	**1,195,000**	**348,755**	**(55,882)**	**126,716**	**7,620**	**2,101,039**	**3,723,247**
At 1 January 2025	1,195,000	348,755	(11,637)	145,403	2,973	1,818,444	3,498,939
Profit for the period	-	-	-	-	-	120,721	120,721
Other comprehensive income/(loss) for the year	-	-	17,041	-	3,158	-	20,199
Total comprehensive income/(loss) for the year	-	-	17,041	-	3,158	120,721	140,920
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-	-	14,844	-	-	(14,844)	-
Transfer to regulatory reserve	-	-	-	(20,899)	-	20,899	-
Transaction with Owners							
Distribution to Perpetual Sukuk holders	-	-	-	-	-	(10,899)	(10,899)
At 30 June 2025	1,195,000	348,755	20,248	124,504	6,131	1,934,321	3,628,960

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.

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

	Non-distributable					Distributable	
Bank	**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**	**Total Equity RM'000**
At 1 January 2026	**1,195,000**	**348,755**	**(15,183)**	**122,492**	**8,093**	**2,021,415**	**3,680,572**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**89,243**	**89,243**
Other comprehensive (loss)/income for the period	**-**	**-**	**(39,834)**	**-**	**(473)**	**-**	**(40,307)**
Total comprehensive (loss)/income for the period	**-**	**-**	**(39,834)**	**-**	**(473)**	**89,243**	**48,936**
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	**-**		**(865)**	**-**	**-**	**865**	**-**
Transfer from regulatory reserve	**-**	**-**	**-**	**4,224**	**-**	**(4,224)**	**-**
Transaction with Owners							
Distribution to Perpetual Sukuk holders						**(11,082)**	**(11,082)**
At 30 June 2026	**1,195,000**	**348,755**	**(55,882)**	**126,716**	**7,620**	**2,096,218**	**3,718,426**
At 1 January 2025	1,195,000	348,755	(11,637)	145,404	2,974	1,808,257	3,488,753
Profit for the period	-	-	-	-	-	121,991	121,991
Other comprehensive income/(loss) for the year	-	-	17,041	-	3,158	-	20,199
Total comprehensive income/(loss) for the year	-	-	17,041	-	3,158	121,991	142,190
Transfer of fair value changes recognised for equity instrument (elected as FVOCI) upon derecognition	-		14,844	-	-	(14,844)	-
Transfer from regulatory reserve	-	-	-	(20,899)	-	20,899	-
Transaction with Owners							
Distribution to Perpetual Sukuk holders						(10,899)	(10,899)
At 30 June 2025	1,195,000	348,755	20,248	124,505	6,132	1,925,404	3,620,044

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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UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

	Note	Group 30 June 2026 RM'000	Group 30 June 2025 RM'000	Bank 30 June 2026 RM'000	Bank 30 June 2025 RM'000
Cash flows from operating activities					
Profit before zakat and taxation		**122,833**	162,917	**123,207**	162,923
Adjustment for					
Fair value loss of financial liabilities	20	**2,116**	4,759	**2,116**	4,759
Amortisation of intangible asset	27	**21,456**	16,842	**21,411**	16,802
Depreciation of property, plant and equipment	27	**5,688**	5,694	**5,685**	5,688
Gain on disposal of property, plant and equipment	21	**-**	(169)	**-**	(169)
Loss/(gain) from lease modification		**946**	(12)	**946**	(12)
Depreciation of right-of-use assets	27	**6,041**	4,768	**6,041**	4,768
Amortisation of cost on Subordinated Sukuk Issued		**189**	211	**189**	211
Fixed asset written off		**282**	13	**282**	13
Intangible asset written off		**34**	-	**34**	-
Amortisation of premium (net)	19 & 20	**20,517**	17,852	**20,517**	17,852
Net gain from sale of financial investments at fair value through other comprehensive income	19 & 20	**(15,884)**	(16,260)	**(15,884)**	(16,260)
Net gain from sale of financial investment designated at FVTPL	19 & 20	**(60)**	(63)	**(60)**	(63)
Unrealised loss on revaluation of financial investment designated at FVTPL	19 & 20	**403**	8,248	**403**	8,247
Net loss/(gain) on revaluation of foreign exchange transaction	20	**9,026**	(48,503)	**9,026**	(48,503)
Net (gain)/loss from foreign exchange derivatives	20	**(22,561)**	27,818	**(22,561)**	27,818
Profit attribute to obligation on financial assets sold under repurchase agreement		**2,472**	-	**2,472**	-
Unrealised MTM gain on financial investment at FVOCI	20	**(9)**	-	**(9)**	-
Write-back of impairment losses on financial investments, net	23	**201**	6	**201**	6
Write-back of /(allowance for)/write-back of impairment on other financial assets, net	24	**61**	(90)	**61**	(90)
Net allowance for impairment on financing	22	**97,078**	31,531	**97,078**	31,531
Profit income from financial investments		**(156,096)**	(149,625)	**(156,095)**	(149,625)
Finance cost	28	**44,326**	48,646	**44,326**	48,646
Dividend income	20	**(25)**	(34)	**-**	(5,000)
Operating profit before working capital changes		**139,035**	114,549	**139,387**	109,542

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UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

	Note	Group 30 June 2026 RM'000	Group 30 June 2025 RM'000	Bank 30 June 2026 RM'000	Bank 30 June 2025 RM'000
(Increase)/decrease in operating assets:					
Islamic derivative financial assets		**-**	(22,094)	**-**	(22,094)
Financing of customers		**(700,363)**	(892,456)	**(700,363)**	(891,834)
Statutory deposits with Bank Negara Malaysia		**15,000**	320,000	**15,000**	320,000
Other assets		**(50,678)**	73,369	**(9,756)**	72,844
Increase/(decrease) in operating liabilities:					
Deposits from customers		**(46,299)**	444,150	**(88,972)**	448,149
Investment accounts of customers		**282,450**	155,259	**282,450**	155,259
Deposits and placements of banks and other financial institutions		**200,369**	77,254	**200,369**	77,254
Islamic derivative financial liabilities		**-**	22,094	**-**	22,094
Bills and acceptances payable		**(2,226)**	1,635	**(2,226)**	1,635
Other liabilities		**(42,474)**	41,373	**(42,306)**	37,038
Cash used in operations		**(205,186)**	335,133	**(206,417)**	329,887
Finance cost on lease liabilities paid	28	**1,103**	(990)	**1,103**	(990)
Zakat paid		**(9,800)**	(8,928)	**(9,669)**	(8,665)
Tax paid		**(32,349)**	(30,192)	**(31,250)**	(29,461)
Tax refunded		**5,583**	-	**5,583**	-
Net cash (used in)/generated from operating activities		**(240,649)**	295,023	**(240,650)**	290,771
Cash flows from investing activities					
Proceeds from disposal of financial investment		**3,245,707**	2,666,069	**3,241,468**	2,666,069
Purchase of financial investment		**(3,009,421)**	(2,900,101)	**(3,009,395)**	(2,900,816)
Proceeds from disposal of property, plant and equipment		**-**	169	**-**	169
Purchase of investment properties		**-**	-	**-**	-
Purchase of property, plant and equipment		**(3,551)**	(3,778)	**(3,550)**	(3,778)
Purchase of intangible asset		**(29,723)**	(24,608)	**(29,723)**	(24,608)
Proceeds of profit income from financial investments		**157,003**	115,111	**161,241**	115,112
Purchase of ROU assets		**633**	2,156	**633**	2,156
Dividend income received	20	**25**	34	**-**	5,000
Net cash generated from/(used in) investing activities		**360,673**	(144,948)	**360,674**	(140,696)

UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

	Group		Bank	
	30 June 2026 RM'000	30 June 2025 RM'000	30 June 2026 RM'000	30 June 2025 RM'000
Cash flows from financing activities				
Dividend paid on Islamic subordinated sukuk	**(19,245)**	(19,245)	**(19,245)**	(19,245)
Payment of lease liabilities	**(5,882)**	(4,597)	**(5,882)**	(4,597)
Proceed from obligation on financial assets sold under repurchase agreement	**898,426**	1,153,901	**898,426**	1,153,901
Payment of principal for obligation on financial assets sold under repurchase agreement	**(702,787)**	(850,855)	**(702,787)**	(850,855)
Payment of finance cost for obligation on financial assets sold under repurchase agreement	**(2,300)**	152	**(2,300)**	152
Proceed from recourse obligation on financing sold to Cagamas	**-**	452,711	**-**	452,711
Payment of principal for recourse obligation on financing sold to Cagamas	**-**	(730,496)	**-**	(730,496)
Payment of finance cost for recourse obligation on financing sold to Cagamas	**(22,966)**	(28,190)	**(22,966)**	(28,190)
Distribution paid to Perpetual Sukuk holders	**(11,082)**	(10,899)	**(11,082)**	(10,899)
Net cash generated from/(used in) financing activities	**134,164**	(37,518)	**134,164**	(37,518)
Net increase in cash cash equivalents	**254,188**	112,557	**254,188**	112,557
Cash and cash equivalents at beginning of the period	**3,090,359**	2,618,766	**3,090,359**	2,618,766
Cash and cash equivalents at end of the period	**3,344,547**	2,731,323	**3,344,547**	2,731,323
Cash and cash equivalents consist of:				
Cash and short term funds	**3,344,547**	2,530,748	**3,344,547**	2,530,748
Cash and placements with financial institutions	**-**	200,575	**-**	200,575
	3,344,547	2,731,323	**3,344,547**	2,731,323

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.

NOTES TO INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026 (14 MUHARRAM 1448H)

1. Basis of preparation

The unaudited condensed financial statements for the financial period ended 30 June 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*

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.

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 financial period ended 30 June 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 financial period ended 30 June 2026.

5. Changes in accounting estimates

There were no material changes in estimates during the financial period ended 30 June 2026.

6. Dividends

There was no dividend payment during the financial period ended 30 June 2026.

7. Financial investments

	Note	Group 30 June 2026 RM'000	Group 31 December 2025 RM'000	Bank 30 June 2026 RM'000	Bank 31 December 2025 RM'000
Financial investments at FVTPL	(i)	**62,870**	72,173	**60,949**	70,277
Financial investments at FVOCI	(ii)	**7,367,484**	7,907,895	**7,367,484**	7,907,895
Financial investments at amortised cost	(iii)	**257,755**	-	**257,755**	-
		7,688,109	7,980,068	**7,686,188**	7,978,172

(i) Financial investments at FVTPL

	Group 30 June 2026 RM'000	Group 31 December 2025 RM'000	Bank 30 June 2026 RM'000	Bank 31 December 2025 RM'000
Government securities and treasury bills:				
Malaysian government investment certificates	**41,551**	50,576	**41,551**	50,576
Unquoted securities in Malaysia:				
Unit trusts	**21,319**	21,597	**19,398**	19,701
	62,870	72,173	**60,949**	70,277

(ii) Financial investments at FVOCI

	Group 30 June 2026 RM'000	Group 31 December 2025 RM'000	Bank 30 June 2026 RM'000	Bank 31 December 2025 RM'000
Debt instruments:				
Government securities and treasury bills:				
Malaysian government investment certificates	**5,103,015**	5,290,606	**5,103,015**	5,290,606
Unquoted securities:				
Islamic private debt securities in Malaysia	**1,468,215**	1,753,436	**1,468,215**	1,753,436
Cagamas sukuk	**711,062**	764,164	**711,062**	764,164
	2,179,277	2,517,600	**2,179,277**	2,517,600
Equity instruments:				
Quoted securities in Malaysia:				
Quoted shares	**80,561**	84,863	**80,561**	84,863
Unquoted securities:				
Private equity funds	**-**	10,195	**-**	10,195
Shares in Malaysia	**4,631**	4,631	**4,631**	4,631
	4,631	14,826	**4,631**	14,826
Total financial assets at FVOCI	**7,367,484**	7,907,895	**7,367,484**	7,907,895

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:

At 30 June 2026	**Stage 1 12 -Months ECL RM'000**	**Stage 2 Lifetime ECL not credit impaired RM'000**	**Stage 3 Lifetime ECL credit impaired RM'000**	**Total ECL RM'000**
At 1 January 2026	**61**	**-**	**22,680**	**22,741**
Allowance made	**3**	**-**	**(0)**	**3**
Amount written back in respect of recoveries	**(10)**	**-**	**-**	**(10)**
At 30 June 2026	**54**	**-**	**22,680**	**22,734**

At 31 December 2025	**Stage 1 12 -Months ECL RM'000**	**Stage 2 Lifetime ECL not credit impaired RM'000**	**Stage 3 Lifetime ECL credit impaired RM'000**	**Total ECL RM'000**
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	61	-	22,680	22,741

7. Financial investments (cont'd.)

	Group and Bank	
	30 June 2026 RM'000	31 December 2025 RM'000
(iii) Financial investments at amortised cost		
At amortised cost		
Unquoted Islamic corporate sukuk in Malaysia	**257,963**	76,698
less: Accumulated impairment losses	**(208)**	(76,698)
Total financial investments at amortised cost	**257,755**	-

(a) Movements in the allowances for impairment losses on financial investments at amortised cost are as follows for the Group and the Bank:

At 30 June 2026	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total ECL RM'000
At 1 January 2026	-	-	-	-
Allowance made	208	-	-	208
At 30 June 2026	208	-	-	208

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.

	Group and Bank					
	30 June 2026			31 December 2025		
	Contract/ notional amount	Fair value		Contract/ Notional Amount	Fair value	
		Assets	Liabilities		Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trading derivatives:						
Foreign exchange contracts						
- Currency forwards						
Less than one year	**1,058,044**	**12,294**	**(2,303)**	1,055,679	6,181	(26,934)
- Currency swaps						
Less than one year	**739,978**	**682**	**(1,648)**	485,799	7,317	(34)
- Currency spot						
Less than one year	**48,687**	**119**	**(6)**	29,924	51	(4)
	1,846,709	**13,095**	**(3,957)**	1,571,402	13,549	(26,972)

9. Financing of Customers

(i) By type and Shariah concepts

Group 30 June 2026	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	Kafalah RM'000	Qard RM'000	Murabahah to the Purchase Orderer RM'000	Total financing RM'000
Cash line	-	-	1,031	803,364	-	-	-	-	-	-	804,395
Term financing:											
Home financing	862,939	-	-	11,869,693	-	-	204,642	-	-	-	12,937,274
Syndicated financing	-	-	-	412,851	-	-	-	-	-	-	412,851
Hire purchase receivables	13,124	1,035,464	-	-	-	-	-	-	-	2,575,324	3,623,912
Personal financing	21,148	-	-	7,934,309	-	-	-	-	-	-	7,955,457
Other term financing	48,466	-	-	3,544,799	-	-	-	50	-	-	3,593,315
Trust receipts	-	-	-	-	10,638	14,305	-	-	-	-	24,943
Claims on customers under acceptance credits	-	-	-	-	180,331	999,986	-	-	-	-	1,180,317
Staff financing	-	-	-	153,497	-	-	772	-	405	2,402	157,076
Revolving credit	9,143	-	-	2,466,870	-	-	-	-	-	-	2,476,013
Credit card	-	-	-	240,052	-	[1] -	-	-	-	-	240,052
Ar-Rahnu	-	-	-	1,333,013	-	-	-	-	-	-	1,333,013
Gross financing	954,820	1,035,464	1,031	28,758,448	190,969	1,014,291	205,414	50	405	2,577,726	34,738,618
Fair value changes arising from fair value hedge[1]	-	-	-	6,210	-	-	-	-	-	-	6,210
	954,820	1,035,464	1,031	28,764,658	190,969	1,014,291	205,414	50	405	2,577,726	34,744,828
Less : Allowance for impaired financing											
At amortised cost											
-Stage 1 - 12-Month ECL	(504)	(3,925)	(27)	(92,815)	(76)	(790)	(653)	-	-	(7,487)	(106,277)
-Stage 2 - Lifetime ECL not credit impaired	(166)	(506)	-	(75,267)	-	-	(168)	-	-	(1,419)	(77,526)
-Stage 3 - Lifetime ECL credit impaired	(2,389)	(911)	(16)	(177,947)	-	(2,670)	(630)	-	-	(2,361)	(186,924)
Total net financing [2]	951,761	1,030,122	988	28,418,629	190,893	1,010,831	203,963	50	405	2,566,459	34,374,101

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 RM236,357,000 (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 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	Ijarah 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 [1]	-	-	-	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 [2]	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 30 June 2026	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	Kafalah RM'000	Qard RM'000	Murabahah to the Purchase Orderer RM'000	Total financing RM'000
Cash line	-	-	1,031	803,364	-	-	-	-	-	-	804,395
Term financing:											
Home financing	862,939	-	-	11,869,693	-	-	204,642	-	-	-	12,937,274
Syndicated financing	-	-	-	412,851	-	-	-	-	-	-	412,851
Hire purchase receivables	13,124	1,035,464	-	-	-	-	-	-	-	2,575,324	3,623,912
Leasing receivables	-	-	-	-	-	-	-	-	-	-	-
Personal financing	21,148	-	-	7,934,309	-	-	-	-	-	-	7,955,457
Other term financing	48,466	-	-	3,544,799	-	-	-	50	-	-	3,593,315
Trust receipts	-	-	-	-	10,638	14,305	-		-	-	24,943
Claims on customers under											-
acceptance credits	-	-	-	-	180,331	999,986	-	-	-	-	1,180,317
Staff financing	-	-	-	153,497	-	-	772	-	405	2,402	157,076
Revolving credit	9,143	-	-	2,466,870	-	-	-	-	-	-	2,476,013
Credit card	-	-	-	240,052	-	-	-	-	-	-	240,052
Ar-Rahnu	-	-	-	1,333,013	-	-	-	-	-	-	1,333,013
Gross financing	954,820	1,035,464	1,031	28,758,448	190,969	1,014,291	205,414	50	405	2,577,726	34,738,618
Fair value changes arising from fair value hedge[1]	-	-	-	6,210	-	-	-	-	-	-	6,210
	954,820	1,035,464	1,031	28,764,658	190,969	1,014,291	205,414	50	405	2,577,726	34,744,828
Less : Allowance for impaired financing											
At amortised cost											
-Stage 1 - 12-Month ECL	(504)	(3,925)	(27)	(92,815)	(76)	(790)	(653)	-	-	(7,487)	(106,277)
-Stage 2 - Lifetime ECL not credit impaired	(166)	(506)	-	(75,267)	-	-	(168)	-	-	(1,419)	(77,526)
-Stage 3 - Lifetime ECL credit impaired	(2,389)	(911)	(16)	(177,947)	-	(2,670)	(630)	-	-	(2,361)	(186,924)
Total net financing [2]	951,761	1,030,122	988	28,418,629	190,893	1,010,831	203,963	50	405	2,566,459	34,374,101

[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 RM236,357,000 (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

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	Ijarah 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[1]	-	-	-	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 [2]	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: RM332,896,000) 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 (cont'd.)

	Group and Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**
Uses of Qard fund:		
Staff financing	**405**	67

(ii) By type of customer

	Group and Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**
Domestic non-banking institutions	**640,220**	657,618
Domestic business enterprises:		
-Small business enterprises	**1,864,759**	1,633,636
-Others	**5,940,346**	6,466,266
Government and statutory bodies	**962,704**	946,702
Individuals	**25,319,972**	24,391,994
Other domestic entities	**7,270**	8,176
Foreign entities	**3,347**	3,500
Gross Financing	**34,738,618**	34,107,892

(iii) By profit rate sensitivity

	Group and Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**
Fixed rate:		
Home financing	**1,253,777**	1,247,880
Hire purchase receivables	**3,593,366**	3,158,741
Others	**4,118,447**	3,163,881
Variable rate:		
Home financing	**11,683,497**	11,497,961
Hire purchase receivables	**30,547**	-
Others	**14,058,984**	15,039,429
Gross Financing	**34,738,618**	34,107,892

(iv) By residual contractual maturity

	Group and Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**
Maturity		
- within one year	**4,712,423**	4,568,187
- more than one to five years	**5,703,460**	5,352,465
- more than five years	**24,322,735**	24,187,240
Gross Financing	**34,738,618**	34,107,892

9. Financing of customers (cont'd.)

(v) By sector

	Group and Bank 30 June 2026 RM'000	Group and Bank 31 December 2025 RM'000
Agriculture	**103,512**	107,923
Mining and quarrying	**56,648**	57,606
Manufacturing	**714,020**	973,410
Electricity, gas and water	**236,103**	232,187
Construction	**1,263,090**	1,252,560
Household	**26,500,767**	25,592,288
Real estate	**627,834**	705,520
Wholesale, retail and restaurant	**1,192,492**	1,297,796
Transport, storage and communication	**248,699**	478,898
Finance, takaful and business services	**2,569,528**	2,219,439
Community, social and personal services	**265,608**	243,912
Government and statutory bodies	**960,317**	946,353
Gross Financing	**34,738,618**	34,107,892

(vi) By geographical area

	Group and Bank 30 June 2026 RM'000	Group and Bank 31 December 2025 RM'000
Domestic	**34,738,618**	34,107,892
Gross Financing	**34,738,618**	34,107,892

9. Financing of customers (cont'd.)

Impaired financing

(i) Movements in the impaired financing

	Group and Bank 30 June 2026 RM'000	Group and Bank 31 December 2025 RM'000
At 1 January 2026/ At 1 January 2025	**487,292**	341,179
Classified as impaired during the period	**281,145**	382,226
Reclassified as performing during the period	**(91,453)**	(79,241)
Recovered during the period	**(28,814)**	(66,383)
Written-off during the period	**(81,335)**	(90,489)
Gross impaired financing	**566,835**	487,292
Less: Stage 3-Lifetime ECL credit impaired	**(186,924)**	(154,658)
Net impaired financing	**379,911**	332,634
Calculation ratio of impaired financing:		
Gross financing of customers	**34,738,618**	34,107,892
Less: Stage 3 - Lifetime ECL credit impaired	**(186,924)**	(154,658)
Net financing of customers	**34,551,694**	33,953,234
Ratio of gross impaired financing to total financing	**1.63%**	1.43%
Net impaired financing ratio	**1.10%**	0.98%

(ii) Impaired financing by sector

	Group and Bank 30 June 2026 RM'000	Group and Bank 31 December 2025 RM'000
Agriculture	**806**	938
Manufacturing	**6,342**	7,206
Construction	**9,809**	28,238
Household	**456,860**	367,993
Real estate	**10,350**	10,200
Electricity, gas and water	**373**	261
Wholesale, retail and restaurant	**58,873**	50,220
Transport, storage and communication	**5,866**	7,369
Finance, takaful and business services	**11,365**	10,105
Community, social and personal service	**6,191**	4,762
	566,835	487,292

(iii) Impaired financing by geographical area

	Group and Bank 30 June 2026 RM'000	Group and Bank 31 December 2025 RM'000
Domestic	**566,835**	487,292

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 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total ECL RM'000
At 30 June 2026				
At 1 January 2026	**107,889**	**82,292**	**154,658**	**344,839**
Transfer to Stage 1	**22,824**	**(14,509)**	**(8,315)**	**-**
Transfer to Stage 2	**(4,581)**	**15,238**	**(10,657)**	**-**
Transfer to Stage 3	**(666)**	**(7,630)**	**8,296**	**-**
Changes in credit risk	**(25,360)**	**1,689**	**124,435**	**100,764**
New financing originated	**14,759**	**608**	**837**	**16,204**
Financing derecognised	**(8,588)**	**(162)**	**(1,025)**	**(9,775)**
Amount written off	**-**	**-**	**(81,305)**	**(81,305)**
At 30 June 2026	**106,277**	**77,526**	**186,924**	**370,727**
At 31 December 2025				
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	107,889	82,292	154,658	344,839

10. Other assets

	Group		Bank	
	30 June 2026 RM'000	31 December 2025 RM'000	30 June 2026 RM'000	31 December 2025 RM'000
Deposits	**7,358**	7,287	**7,325**	7,254
Prepayments	**114,475**	73,529	**114,356**	73,456
Tax recoverable	**17,579**	16,279	**17,312**	16,230
Golf club membership	**500**	500	**500**	500
Other receivables	**18,649**	21,422	**18,464**	61,899
	158,561	119,017	**157,957**	159,339
Less: Accumulated impairment losses	**(1,860)**	(1,860)	**(1,860)**	(1,860)
	156,701	117,157	**156,097**	157,479

11. Deferred tax assets & liabilities

	Group		Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**	**30 June 2026 RM'000**	**31 December 2025 RM'000**
At 1 January 2026/ 2025	**16,082**	33,438	**16,101**	33,433
Recognised in the profit or loss (Note 30)	**(6,280)**	(2,309)	**(6,297)**	(2,285)
Recognised in other comprehensive income	**9,758**	(15,047)	**9,758**	(15,047)
At 30 June 2026/ 31 December 2025	**19,560**	16,082	**19,562**	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:

	Group		Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**	**30 June 2026 RM'000**	**31 December 2025 RM'000**
Deferred tax assets, net	**19,560**	16,082	**19,562**	16,101
	19,560	16,082	**19,562**	16,101

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 **30 June 2026**	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Balance as at 30 June 2026** **Net**	**Deferred tax assets**	**Deferred tax liabilities**
Financial investments at FVOCI	**(9,685)**	**-**	**-**	**(9,685)**	**-**	**(9,685)**
ECL	**29,781**	**(619)**	**-**	**29,162**	**29,162**	**-**
Leases	**747**	**7**	**-**	**754**	**754**	**-**
Property,plant and equipment & intangible assets	**(27,155)**	**(882)**	**9,758**	**(18,279)**	**-**	**(18,279)**
Provision for liabilities	**22,599**	**(4,883)**	**-**	**17,716**	**17,716**	**-**
Other temporary differences	**(205)**	**97**	**-**	**(108)**	**-**	**(108)**
Tax assets/(liabilities) before set-off	**16,082**	**(6,280)**	**9,758**	**19,560**	**47,632**	**(28,072)**
Set-off of tax	**-**	**-**	**-**	**-**	**(28,072)**	**28,072**
Tax assets	**16,082**	**(6,280)**	**9,758**	**19,560**	**19,560**	**-**

Group 31 December 2025	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Balance as at 31 December 2025** **Net**	**Deferred tax assets**	**Deferred tax liabilities**
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	-

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 **30 June 2026**	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Balance as at 30 June 2026** **Net**	**Deferred tax assets**	**Deferred tax liabilities**
Financial investments at FVOCI	**(10,233)**	**-**	**-**	**(10,233)**	**-**	**(10,233)**
ECL	**29,781**	**(619)**	**-**	**29,162**	**29,162**	**-**
Leases	**746**	**38**	**-**	**784**	**784**	**-**
Property,plant and equipment & intangible assets	**(27,131)**	**(907)**	**9,758**	**(18,280)**	**-**	**(18,280)**
Provision for liabilities	**22,595**	**(4,876)**	**-**	**17,719**	**17,719**	**-**
Other temporary differences	**343**	**67**	**-**	**410**	**410**	**-**
Tax assets/(liabilities) before set-off	**16,101**	**(6,297)**	**9,758**	**19,562**	**48,075**	**(28,513)**
Set-off of tax	**-**	**-**	**-**	**-**	**(28,513)**	**28,513**
Tax assets	**16,101**	**(6,297)**	**9,758**	**19,562**	**19,562**	**-**

Bank 31 December 2025	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Balance as at 31 December 2025** **Net**	**Deferred tax assets**	**Deferred tax liabilities**
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	-

12. Deposits from customers

(a) By type of deposits

	Group		Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**	**30 June 2026 RM'000**	**31 December 2025 RM'000**
Savings Deposit				
Qard	**924,219**	926,213	**924,219**	926,213
Tawarruq	**880,316**	846,597	**880,316**	846,597
Demand Deposit				
Qard	**4,396,625**	4,316,801	**4,400,461**	4,348,310
Tawarruq	**5,942,994**	6,164,713	**5,942,994**	6,164,713
Term Deposit				
Tawarruq				
Short-term accounts	**11,569,938**	11,862,617	**11,569,938**	11,862,617
Fixed-term accounts	**13,561,344**	13,200,296	**13,572,145**	13,226,096
Other deposits	**68,325**	72,823	**68,324**	72,823
	37,343,761	37,390,060	**37,358,397**	37,447,369

(b) By type of customer

	Group		Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**	**30 June 2026 RM'000**	**31 December 2025 RM'000**
Government and statutory bodies	**18,602,617**	18,719,204	**18,602,617**	18,719,204
Business enterprises	**11,006,813**	11,159,706	**11,010,167**	11,205,817
Individuals	**3,315,472**	3,520,732	**3,315,472**	3,520,732
Domestic non-bank financial institutions	**2,829,218**	2,574,574	**2,840,500**	2,585,772
Domestic banking financial institutions	**63,927**	69,595	**63,927**	69,595
Others	**1,525,714**	1,346,249	**1,525,714**	1,346,249
	37,343,761	37,390,060	**37,358,397**	37,447,369

The maturity structure of term deposits are as follows :

	Group		Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**	**30 June 2026 RM'000**	**31 December 2025 RM'000**
Due within six months	**20,501,334**	18,819,055	**20,512,135**	18,844,855
More than six months to one year	**4,297,759**	5,925,240	**4,297,759**	5,925,240
More than one year to three years	**331,980**	318,152	**331,980**	318,152
More than three years to five years	**209**	466	**209**	466
	25,131,282	25,062,913	**25,142,083**	25,088,713

13. Deposits and placements of banks and other financial institutions

	Group and Bank	
	30 June 2026 RM'000	31 December 2025 RM'000
Non-Mudharabah		
Bank Negara Malaysia	**336,257**	381,987
Other financial institutions	**833,172**	584,958
	1,169,429	966,945

Included in these balances are the BNM funds of RM221,122,000 (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 2029 and 2031.

14. Investment accounts of customers

(i) By type and Shariah contracts

	Group and Bank	
	30 June 2026 RM'000	31 December 2025 RM'000
Unrestricted investment accounts:		
Without maturity:		
Mudarabah	**320,713**	277,033
With maturity within one year:		
Wakalah	**1,174,720**	935,950
	1,495,433	1,212,983
Restricted investment accounts:		
Mudarabah		
Maturity		
- within one year	**20**	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.

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

(ii) By types of customer

Group and Bank	Unrestricted investment accounts Mudarabah RM'000	Wakalah RM'000	Total RM'000	Restricted investment accounts Mudarabah RM'000
June 2026				
Individuals	**316,751**	**1,060,417**	**1,377,168**	**20**
Business enterprises	**3,738**	**82,238**	**85,976**	**-**
Others	**224**	**32,065**	**32,289**	**-**
	320,713	**1,174,720**	**1,495,433**	**20**
December 2025				
Individuals	273,511	808,680	1,082,191	20
Business enterprises	3,265	101,865	105,130	-
Others	257	25,405	25,662	-
	277,033	935,950	1,212,983	20

(iii) Movement of investment accounts of customers:

Group and Bank	Unrestricted investment accounts Mudarabah RM'000	Wakalah RM'000	Total RM'000	Restricted investment accounts Mudarabah RM'000
June 2026				
At 1 January 2026	**277,033**	**935,950**	**1,212,983**	**20**
New placement	**2,402,212**	**479,830**	**2,882,042**	**-**
Income from investments	**6,062**	**34,572**	**40,634**	**-**
Profit distributed	**(147)**	**(20,552)**	**(20,699)**	**-**
Wakalah fee	**-**	**(14,020)**	**(14,020)**	**-**
Redemption	**(2,364,447)**	**(241,060)**	**(2,605,507)**	**-**
At 30 June 2026	**320,713**	**1,174,720**	**1,495,433**	**20**

Group and Bank	Unrestricted investment accounts Mudarabah RM'000	Wakalah RM'000	Total RM'000	Restricted investment accounts Mudarabah RM'000
December 2025				
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	277,033	935,950	1,212,983	20

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

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

	Group and Bank 30 June 2026 RM'000	Group and Bank 31 December 2025 RM'000
Unrestricted investment accounts:		
Home financing	**320,713**	277,033
Personal financing	**1,174,720**	935,950
Total investment	**1,495,433**	1,212,983
Restricted investment accounts:		
Term financing	**20**	20
Total investment	**20**	20

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

	Group and Bank 30 June 2026		Group and Bank 31 December 2025	
	Average profit sharing ratio (%)	Average rate of return (%)	Average profit sharing ratio (%)	Average rate of return (%)
Unrestricted investment accounts				
Mudarabah	**2.00%**	**0.09%**	2.00%	0.09%
Wakalah	**-**	**3.65%**	-	3.11%
Restricted investment accounts	**95.00%**	**0.00%**	95.00%	0.00%

15. Other liabilities

	Group		Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**	**30 June 2026 RM'000**	**31 December 2025 RM'000**
Sundry creditors	**5,365**	9,185	**5,365**	9,185
Allowances for impairment losses on financing commitments and financial guarantee contracts (Note 15(a))	**8,107**	8,553	**8,107**	8,553
Provision for bonus	**23,594**	39,883	**23,594**	39,883
Accrued expenses	**41,502**	46,442	**41,496**	45,889
Accrual for directors' fees	**702**	-	**702**	-
Accrual for audit fees	**329**	707	**318**	681
Other liabilities	**76,501**	92,898	**77,115**	93,686
	156,100	197,668	**156,697**	197,877

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

Group and Bank	**Stage 1 12-Month ECL RM'000**	**Stage 2 Lifetime ECL not credit impaired RM'000**	**Stage 3 Lifetime ECL credit impaired RM'000**	**Total ECL RM'000**
At 30 June 2026				
At 1 January 2026	**5,131**	**987**	**2,435**	**8,553**
Transfer to Stage 1	**139**	**(40)**	**(99)**	**-**
Transfer to Stage 2	**(78)**	**309**	**(231)**	**-**
Transfer to Stage 3	**(9)**	**(15)**	**22**	**(2)**
New financing commitment originated	**739**	**2**	**-**	**741**
Financing commitment derecognised	**(628)**	**(786)**	**(172)**	**(1,586)**
Changes in credit risk	**(621)**	**(265)**	**1,287**	**401**
At 30 June 2026	**4,673**	**192**	**3,242**	**8,107**
At 31 December 2025				
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	5,131	987	2,435	8,553

16. Provision for zakat and taxation

	Group		Bank	
	30 June 2026 RM'000	31 December 2025 RM'000	30 June 2026 RM'000	31 December 2025 RM'000
Zakat	**3,142**	9,800	**3,081**	9,670
Taxation	**-**	889	**-**	-
	3,142	10,689	**3,081**	9,670

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

As at 30 June 2026, the Bank had two outstanding tranches of subordinated sukuk, namely the Subordinated Sukuk Wakalah and the Subordinated Sukuk Murabahah (Series 2). These sukuk qualify as Tier 2 Capital under Bank Negara Malaysia's Capital Adequacy Framework for Islamic Banks (Capital Components).

The sukuk have a tenure of ten (10) years from the respective issue dates and are callable on the fifth (5th) anniversary of the issue date and on each subsequent profit payment date thereafter, subject to the applicable terms and regulatory approval.

The salient terms of the subordinated sukuk outstanding as at 30 June 2026 are summarised below:

Issue date	Call Date	Maturity Date	Profit Rate(% p.a)	Nominal Value
25 May 2026	26 May 2031	26 May 2036	4.15%, payable semi-annually	RM500.0 million
20 July 2022	20 July 2027	20 July 2032	5.33%, payable semi-annually	RM300.0 million

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

Group	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Income derived from investment of:				
(a) Fixed-term accounts	**208,477**	190,668	**411,303**	378,516
(b) Other deposits	**391,037**	361,638	**766,030**	714,294
	599,514	552,306	**1,177,333**	1,092,810

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

	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Finance income and hibah				
Income from financing	**168,547**	155,664	**331,146**	307,667
Financial investments at FVTPL	**83**	5	**112**	44
Financial investments at FVOCI	**24,408**	24,984	**50,498**	50,169
Financial investments at amortised cost	**2,495**	-	**2,495**	-
Money at call and deposit with financial institutions	**6,377**	4,216	**11,998**	8,557
	201,910	184,869	**396,249**	366,437
Amortisation of premium,net	**(3,517)**	(3,085)	**(7,095)**	(6,102)
Total finance income and hibah	**198,393**	181,784	**389,154**	360,335
Other operating income				
Net gain from sale of:				
- financial investments at FVTPL	**15**	6	**21**	22
- financial investments at FVOCI	**1,860**	4,616	**5,540**	5,632
Unrealised loss on revaluation of financial investments at FVTPL	**(32)**	(2,669)	**(35)**	(2,667)
	1,843	1,953	**5,526**	2,987
Fees and commission				
Guarantee fees	**160**	185	**323**	379
Processing fees	**238**	244	**603**	421
Service charges and fees	**1,918**	1,466	**3,649**	2,900
Commission	**5,925**	5,036	**12,048**	11,494
	8,241	6,931	**16,623**	15,194
Total	**208,477**	190,668	**411,303**	378,516

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

(b) Income derived from investment of other deposits (cont'd.)

	3 months ended		6 months ended	
	30 June 2026 RM'000	**30 June 2025 RM'000**	**30 June 2026 RM'000**	**30 June 2025 RM'000**
Finance income and hibah				
Income from financing	**316,177**	295,234	**616,853**	580,601
Financial investments at FVTPL	**154**	9	**208**	83
Financial investments at FVOCI	**45,822**	47,393	**94,068**	94,674
Financial investments at amortised cost	**4,648**	-	**4,648**	-
Money at call and deposit with financial institutions	**11,956**	7,997	**22,350**	16,146
	378,757	350,633	**738,127**	691,504
Amortisation of premium,net	**(6,600)**	(5,851)	**(13,217)**	(11,515)
Total finance income and hibah	**372,157**	344,782	**724,910**	679,989
Other operating income				
Net gain from sale of:				
- financial investments at FVTPL	**28**	12	**39**	41
- financial investments at FVOCI	**3,515**	8,720	**10,320**	10,628
Unrealised loss on revaluation of financial investments at FVTPL	**(60)**	(5,037)	**(64)**	(5,033)
	3,483	3,695	**10,295**	5,636
Fees and commission				
Guarantee fees	**300**	351	**601**	715
Processing fees	**449**	462	**1,123**	795
Service charges and fees	**3,528**	2,781	**6,659**	5,470
Commission	**11,120**	9,567	**22,442**	21,689
	15,397	13,161	**30,825**	28,669
Total	**391,037**	361,638	**766,030**	714,294

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

Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Income derived from investment of:				
(a) Fixed-term accounts	**208,477**	190,668	**411,303**	378,516
(b) Other deposits	**391,105**	361,638	**766,167**	714,294
	599,582	552,306	**1,177,470**	1,092,810

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

	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Finance income and hibah				
Income from financing	**168,547**	155,664	**331,146**	307,667
Financial investments at FVTPL	**83**	5	**112**	44
Financial investments at FVOCI	**24,408**	24,984	**50,498**	50,169
Financial investments at amortised cost	**2,495**	-	**2,495**	-
Money at call and deposit with financial institutions	**6,377**	4,216	**11,998**	8,557
	201,910	184,869	**396,249**	366,437
Amortisation of premium,net	**(3,517)**	(3,085)	**(7,095)**	(6,102)
Total finance income and hibah	**198,393**	181,784	**389,154**	360,335
Other operating income				
Net gain from sale of:				
- financial investments at FVTPL	**15**	6	**21**	22
- financial investments at FVOCI	**1,860**	4,616	**5,540**	5,632
Unrealised loss on revaluation of financial investments at FVTPL	**(32)**	(2,669)	**(35)**	(2,667)
	1,843	1,953	**5,526**	2,987
Fees and commission				
Guarantee fees	**160**	185	**323**	379
Processing fees	**238**	244	**603**	421
Service charges and fees	**1,918**	1,466	**3,649**	2,900
Commission	**5,925**	5,036	**12,048**	11,494
	8,241	6,931	**16,623**	15,194
Total	**208,477**	190,668	**411,303**	378,516

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

(b) Income derived from investment of other deposits

	3 months ended		6 months ended	
	30 June 2026 RM'000	**30 June 2025 RM'000**	**30 June 2026 RM'000**	**30 June 2025 RM'000**
Finance income and hibah				
Income from financing	**316,177**	295,234	**616,853**	580,601
Financial investments at FVTPL	**154**	9	**208**	83
Financial investments at FVOCI	**45,822**	47,393	**94,068**	94,674
Financial investments at amortised cost	**4,648**	-	**4,648**	-
Money at call and deposit with financial institutions	**11,956**	7,997	**22,350**	16,146
	378,757	350,633	**738,127**	691,504
Amortisation of premium,net	**(6,600)**	(5,851)	**(13,217)**	(11,515)
Total finance income and hibah	**372,157**	344,782	**724,910**	679,989
Other operating income				
Net gain from sale of:				
- financial investments at FVTPL	**28**	12	**39**	41
- financial investments at FVOCI	**3,515**	8,720	**10,320**	10,628
Unrealised loss on revaluation of financial investments at FVTPL	**(60)**	(5,037)	**(64)**	(5,033)
	3,483	3,695	**10,295**	5,636
Fees and commission				
Guarantee fees	**300**	351	**601**	715
Processing fees	**449**	462	**1,123**	795
Service charges and fees	**3,596**	2,781	**6,796**	5,470
Commission	**11,120**	9,567	**22,442**	21,689
	15,465	13,161	**30,962**	28,669
Total	**391,105**	361,638	**766,167**	714,294

20. Income derived from investment of shareholders' funds

	3 months ended		6 months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Group	RM'000	RM'000	RM'000	RM'000
Finance income and hibah				
Financial investments at FVOCI	**1,782**	2,205	**4,067**	4,654
Money at call and deposit with financial institutions	**556**	212	**1,081**	449
	2,338	2,417	**5,148**	5,103
Amortisation of premium,net	**(99)**	(119)	**(206)**	(235)
Total finance income and hibah	**2,239**	2,298	**4,942**	4,868
Other operating income				
(Losses)/gains on foreign exchange:				
- Realised	**(20,590)**	45,138	**(9,020)**	48,503
- Unrealised	**26,762**	(36,329)	**22,561**	(27,818)
Fair value loss of financial liabilities	**(1,058)**	(3,519)	**(2,116)**	(4,759)
Unrealised loss on revaluation of financial investments at FVTPL	**(594)**	(132)	**(304)**	(548)
Net gain from sale of financial investments at fair value through other comprehensive income	**24**	-	**24**	-
Gross dividend income:				
- unquoted shares in Malaysia	**13**	17	**25**	34
	4,557	5,175	**11,170**	15,412
Fees and commission				
Corporate advisory fees	**1,174**	1,214	**2,189**	1,344
Service charges and fees	**-**	2,372	**-**	5,481
Commission	**570**	541	**1,066**	911
	1,744	4,127	**3,255**	7,736
Other income				
Rental income	**122**	101	**324**	162
Gain from sale of property,plant and equipment	**-**	5	**-**	169
	122	106	**324**	331
Total	**8,662**	11,706	**19,691**	28,347

20. Income derived from investment of shareholders' funds (cont'd.)

Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Finance income and hibah				
Financial investments at FVOCI	**1,782**	2,205	**4,067**	4,654
Money at call and deposit with financial institutions	**556**	212	**1,081**	449
	2,338	2,417	**5,148**	5,103
Amortisation of premium,net	**(99)**	(119)	**(206)**	(235)
Total finance income and hibah	**2,239**	2,298	**4,942**	4,868
Other operating income				
(Losses)/gains on foreign exchange:				
- Realised	**(20,590)**	45,138	**(9,020)**	48,503
- Unrealised	**26,762**	(36,329)	**22,561**	(27,818)
Fair value loss of financial liabilities	**(1,058)**	(3,519)	**(2,116)**	(4,759)
Unrealised loss on revaluation of financial investments at FVTPL	**(594)**	(132)	**(304)**	(547)
Net gain from sale of financial investments at fair value through other comprehensive income	**24**	-	**24**	-
Gross dividend income:				
- unquoted shares in Malaysia	**-**	5,000	**-**	5,000
	4,544	10,158	**11,145**	20,379
Fees and commission				
Corporate advisory fees	**873**	984	**1,625**	1,319
Service charges and fees	**15**	18	**29**	34
Commission	**570**	541	**1,067**	911
	1,458	1,543	**2,721**	2,264
Other income				
Rental income	**152**	131	**384**	222
Gain from sale of property,plant and equipment	**-**	5	**-**	169
	152	136	**384**	391
Total	**8,393**	14,135	**19,192**	27,902

21. Income derived from investment of investment account funds

Group and Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Finance income and hibah				
Income from financing	**3,134**	1,878	**6,061**	4,612

22. Allowance for impairment on financing

Group and Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Expected credit losses on advances and financing made/(written back):				
Financing and advances				
- Stage 1	**(1,185)**	(232)	**(2,071)**	(2,314)
- Stage 2	**(862)**	4,884	**(5,562)**	26,550
- Stage 3	**59,311**	43,618	**114,379**	76,067
Impaired financing written off	**178**	148	**319**	106
Impaired financing recovered	**(4,733)**	(57,938)	**(9,987)**	(68,878)
	52,709	(9,520)	**97,078**	31,531

23. Impairment (write-back) / loss on financial investments, net

Group and Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Recovery of financial investments previously written off	**(1,776)**	-	**(1,776)**	-
Impairment (write-back)/loss on corporate bonds included under FVOCI	**(1)**	14	**(7)**	6
Impairment loss on corporate bonds included under Amortised Cost ("AC")	**208**	-	**208**	-
	(1,569)	14	**(1,575)**	6

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

Group and Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Cash and short term funds				
- ECL , net	**61**	205	**61**	(90)

25. Income attributable to depositors

Group	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Deposits from customers:				
Mudharabah funds	**-**	4	**-**	16
Non-Mudharabah funds	**264,196**	280,458	**528,846**	558,385
Deposits and placements of banks and other financial institutions:				
Non-Mudharabah funds	**6,571**	7,002	**13,139**	14,112
	270,767	287,464	**541,985**	572,513

Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Deposits from customers:				
Mudharabah funds	**-**	4	**-**	16
Non-Mudharabah funds	**264,253**	280,520	**528,999**	558,511
Deposits and placements of banks and other financial institutions:				
Non-Mudharabah funds	**6,571**	7,002	**13,139**	14,112
	270,824	287,526	**542,138**	572,639

26. Personnel expenses

Group	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Salary and wages	**59,658**	55,887	**116,741**	111,959
Contribution to Employees' Provident Fund	**13,574**	11,338	**26,518**	20,803
Social security contributions	**777**	766	**1,548**	1,517
Allowances and bonuses	**14,443**	7,113	**23,779**	9,687
Others	**11,935**	10,187	**24,173**	19,420
	100,387	85,291	**192,759**	163,386

26. Personnel expenses (cont'd.)

	3 months ended		6 months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Bank	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Salary and wages	**59,142**	55,478	**115,723**	111,145
Contribution to defined contribution plan	**13,507**	11,278	**26,386**	20,683
Social security contributions	**777**	766	**1,548**	1,517
Allowances and bonuses	**14,437**	7,111	**23,765**	9,680
Others	**11,890**	10,178	**24,115**	19,368
	99,753	84,811	**191,537**	162,393

27. Other overheads and expenditures

	3 months ended		6 months ended	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Group	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Promotion				
Advertisement and publicity	**2,351**	2,677	**5,816**	6,589
Others	**206**	516	**601**	1,392
Establishment				
Rental	**65**	104	**241**	249
Depreciation of property, plant and equipment	**2,808**	2,826	**5,688**	5,694
Depreciation of right-of-use assets	**3,055**	2,373	**6,041**	4,768
Amortisation of intangible assets	**11,032**	8,525	**21,456**	16,842
Information technology expenses	**29,439**	22,185	**57,362**	44,587
Repair and maintenance	**1,638**	1,704	**2,766**	2,858
Hire of equipment	**1,803**	1,732	**3,562**	3,962
Takaful	**839**	2,389	**3,902**	5,194
Utilities expenses	**933**	1,376	**2,338**	2,901
Security expenses	**2,208**	1,929	**4,490**	4,412
Others	**1,582**	1,552	**3,316**	2,798
General expenses				
Auditors' fees	**257**	175	**368**	327
Professional fees	**557**	625	**1,576**	1,524
Legal expenses	**34**	103	**123**	184
Telephone	**333**	396	**656**	777
Stationery and printing	**464**	514	**908**	913
Postage and courier	**822**	1,033	**2,075**	2,190
Travelling	**398**	429	**942**	971
Directors remuneration and Shariah Committee allowance	**981**	807	**1,966**	1,781
Others	**12,298**	5,751	**18,870**	11,582
	74,103	59,721	**145,063**	122,495

27. Other overheads and expenditures (cont'd.)

Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Promotion				
Advertisement and publicity	**2,355**	2,683	**5,814**	6,589
Others	**201**	499	**595**	1,375
Establishment				
Rental	**65**	104	**241**	249
Depreciation of property, plant and equipment	**2,823**	2,843	**5,684**	5,688
Depreciation of right-of-use assets	**3,055**	2,373	**6,041**	4,768
Amortisation of intangible assets	**10,998**	8,485	**21,411**	16,802
Information technology expenses	**29,347**	22,133	**57,157**	44,484
Repair and maintenance	**1,638**	1,704	**2,766**	2,858
Hire of equipment	**1,688**	1,614	**3,330**	3,678
Takaful	**839**	2,389	**3,902**	5,194
Utilities expenses	**925**	1,368	**2,322**	2,885
Security expenses	**2,208**	1,929	**4,490**	4,412
Others	**1,582**	1,552	**3,316**	2,798
General expenses				
Auditors' fees	**257**	175	**368**	327
Professional fees	**545**	598	**1,552**	1,472
Legal expenses	**34**	103	**123**	184
Telephone	**333**	396	**656**	776
Stationery and printing	**464**	513	**907**	912
Postage and courier	**822**	1,033	**2,075**	2,190
Travelling	**398**	426	**942**	968
Directors remuneration and Shariah Committee allowance	**966**	793	**1,940**	1,749
Others	**12,757**	6,240	**19,764**	12,553
	74,300	59,953	**145,396**	122,911

28. Finance cost

Group and Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Dividend paid- subordinated sukuk	**10,759**	9,623	**20,288**	19,139
Financing sold to Cagamas	**11,475**	12,514	**22,935**	28,517
Lease charges	**560**	488	**1,103**	990
	22,794	22,625	**44,326**	48,646

29. Zakat

Group	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Provision for zakat for the year	**1,550**	2,812	**3,141**	4,199

Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Provision for zakat for the year	**1,506**	2,741	**3,080**	4,073

30. Taxation

Group	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Current income tax	**14,475**	22,473	**24,586**	35,595
(Over)/under provision in prior year	**(9)**	301	**(9)**	301
	14,466	22,774	**24,577**	35,896
Deferred tax:				
Relating to origination and reversal of temporary differences	**644**	1,344	**6,298**	2,106
Over provision in prior year	**(116)**	(307)	**(18)**	(5)
	528	1,037	**6,280**	2,101
	14,994	23,811	**30,857**	37,997

Bank	3 months ended 30 June 2026 RM'000	3 months ended 30 June 2025 RM'000	6 months ended 30 June 2026 RM'000	6 months ended 30 June 2025 RM'000
Current income tax	**14,343**	21,981	**24,586**	34,776
Deferred tax:				
Relating to origination and reversal of temporary differences	**644**	1,320	**6,298**	2,083
	14,987	23,301	**30,884**	36,859

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.

31. Credit exposures arising from credit transactions with connected parties

	Group	
	30 June 2026 RM'000	**30 June 2025 RM'000**
Outstanding credit exposures with connected parties (RM'000)	**3,305,456**	2,600,447
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	**6.8%**	5.6%
Percentage of outstanding credit exposures with connected parties which is non-performing or in default	**0.0%**	0.0%

	Bank	
	30 June 2026 RM'000	**30 June 2025 RM'000**
Outstanding credit exposures with connected parties (RM'000)	**3,449,858**	2,825,449
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	**7.1%**	6.1%
Percentage of outstanding credit exposures with connected parties which is non-performing or in default	**0.0%**	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:

	Group and Bank					
	30 June 2026			31 December 2025		
The commitments and contingencies constitute the following:	**Principal amount RM'000**	**Credit equivalent amount RM'000**	**Total risk weighted amount RM'000**	**Principal amount RM'000**	**Credit equivalent amount RM'000**	**Total risk weighted amount RM'000**
Contingent liabilities						
Direct credit substitutes	**959,383**	**959,383**	**918,158**	964,294	964,294	933,859
Trade-related contingencies	**347,417**	**69,483**	**6,764**	387,443	77,489	9,422
Transaction-related contingencies	**499,525**	**249,763**	**233,425**	496,576	248,288	233,613
Commitments						
Credit extension commitment:						
- Maturity within one (1) year	**984,716**	**196,943**	**177,029**	906,304	181,261	161,252
- Maturity exceeding one (1) year	**1,542,660**	**771,330**	**340,170**	1,352,362	676,181	311,145
Other miscellaneous commitments & contingencies	**668,084**	**110,625**	**83,178**	561,878	90,151	67,750
Islamic derivative financial instruments						
Foreign exchange related contracts	**1,846,709**	**33,442**	**31,555**	1,571,402	37,100	28,005
	6,848,494	**2,390,969**	**1,790,279**	6,240,259	2,274,764	1,745,046

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.

33. Capital adequacy (cont'd.)

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

	Group		Bank	
	30 June 2026 RM'000	31 December 2025 RM'000	30 June 2026 RM'000	31 December 2025 RM'000
Computation of Total Risk Weighted Assets ("RWA")				
Total credit RWA	**24,300,378**	24,153,813	**24,297,850**	24,192,227
Less: Credit risk absorbed by profit-sharing investment account ("PSIA")	**(1,375,926)**	(1,114,082)	**(1,375,926)**	(1,114,082)
Total market RWA	**113,518**	83,806	**113,518**	83,806
Total operational RWA	**1,626,048**	1,508,404	**1,628,116**	1,509,588
Total RWA	**24,664,018**	24,631,941	**24,663,558**	24,671,539
Computation of Capital Ratio				
Tier-I capital				
Share capital	**1,195,000**	1,195,000	**1,195,000**	1,195,000
Retained profits	**2,015,562**	2,026,644	**2,010,334**	2,021,415
Other Reserves				
Regulatory reserve	**126,716**	122,492	**126,716**	122,492
FVOCI reserve	**(55,882)**	(15,183)	**(55,882)**	(15,183)
Foreign exchange translation reserve	**7,620**	8,093	**7,620**	8,093
Regulatory Adjustment				
Deferred tax assets	**(45,915)**	(41,407)	**(45,917)**	(41,426)
Investment property gain	**(12,393)**	(12,393)	**(12,393)**	(12,393)
Regulatory reserve	**(126,716)**	(122,492)	**(126,716)**	(122,492)
Investment in subsidiaries	**-**	-	**(13,159)**	(13,159)
Cumulative gains of financing measured at FVTPL	**(9,024)**	(11,140)	**(9,024)**	(11,140)
Intangible asset (net of deferred tax liabilities)	**(130,407)**	(126,484)	**(130,129)**	(126,162)
Total Common Equity Tier-I Capital	**2,964,561**	3,023,130	**2,946,450**	3,005,045
Additional Tier-1 Capital				
Perpetual Sukuk	**350,000**	350,000	**350,000**	350,000
Total Tier-I Capital	**3,314,561**	3,373,130	**3,296,450**	3,355,045
Tier-II capital				
Subordinated sukuk	**800,000**	800,000	**800,000**	800,000
Loss provision and regulatory reserve*	**286,556**	287,997	**286,524**	288,477
Add: Investment property gain	**5,577**	5,577	**5,577**	5,577
Total Tier-II Capital	**1,092,133**	1,093,574	**1,092,101**	1,094,054
Total Capital Base	**4,406,694**	4,466,704	**4,388,551**	4,449,099
Ratio (%)				
CET 1 Capital	**12.020%**	12.273%	**11.947%**	12.180%
Tier 1 Capital	**13.439%**	13.694%	**13.366%**	13.599%
Total Capital	**17.867%**	18.134%	**17.794%**	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.

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			
	30 June 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%	**14,828,063**	**-**	15,244,436	-
20%	**5,936,169**	**1,187,234**	4,864,457	972,891
35%	**3,959,831**	**1,385,941**	3,930,557	1,375,695
50%	**1,731,952**	**865,976**	1,713,221	856,611
75%	**5,247,886**	**3,935,914**	4,875,133	3,656,350
100%	**16,842,080**	**16,842,080**	17,211,260	17,211,260
150%	**55,489**	**83,232**	54,004	81,006
Risk weighted assets for credit risk	**48,601,470**	**24,300,377**	47,893,068	24,153,813
Less: Credit risk absorbed by PSIA		**(1,375,926)**		(1,114,082)
Total risk weighted assets		**22,924,451**		23,039,731

33. Capital adequacy (cont'd.)

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

	Bank			
	30 June 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%	**14,828,063**	**-**	15,244,436	-
20%	**5,936,169**	**1,187,234**	4,864,457	972,891
35%	**3,959,830**	**1,385,941**	3,930,557	1,375,695
50%	**1,731,952**	**865,976**	1,713,221	856,611
75%	**5,247,886**	**3,935,914**	4,875,133	3,656,350
100%	**16,839,552**	**16,839,552**	17,249,674	17,249,674
150%	**55,489**	**83,232**	54,004	81,006
Risk weighted assets for credit risk	**48,598,941**	**24,297,849**	47,931,482	24,192,227
Less: Credit risk absorbed by PSIA		**(1,375,926)**		(1,114,082)
Total risk weighted assets		**22,921,923**		23,078,145

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.

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:

		Valuation technique using		
Group	**Quoted Market Price Level 1**	**Observable Inputs Level 2**	**Unobservable Inputs Level 3**	**Total**
30 June 2026	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Financial assets				
Financial investments at FVTPL	**-**	**62,870**	**-**	**62,870**
Financial investments at FVOCI	**80,561**	**7,282,292**	**4,631**	**7,367,484**
Islamic derivative financial assets	**-**	**13,095**	**-**	**13,095**
Financing of customers	**-**	**-**	**236,357**	**236,357**
Total financial assets measured at fair value	**80,561**	**7,358,257**	**240,988**	**7,679,806**
Financial liabilities				
Islamic derivative financial assets	**-**	**3,957**	**-**	**3,957**
Total financial liabilities measured at fair value	**-**	**3,957**	**-**	**3,957**

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.)		Valuation technique using		
	Quoted Market Price	Observable Inputs	Unobservable Inputs	
	Level 1	Level 2	Level 3	Total
31 December 2025	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Financial assets				
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
Financial liabilities				
Islamic derivative financial liabilities	-	26,972	-	26,972
Total financial liabilities measured at fair value	-	26,972	-	26,972

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.)

Bank		Valuation technique using		
	Quoted Market Price	Observable Inputs	Unobservable Inputs	
	Level 1	Level 2	Level 3	Total
30 June 2026	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial investments at FVTPL	-	60,949	-	60,949
Financial investments at FVOCI	80,561	7,282,292	4,631	7,367,484
Islamic derivative financial assets	-	13,095	-	13,095
Financing of customers	-	-	236,357	236,357
Total financial assets measured at fair value	80,561	7,356,336	240,988	7,677,885
Financial liabilities				
Islamic derivative financial liabilities	-	3,957	-	3,957
Total financial liabilities measured at fair value	-	3,957	-	3,957

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.)

Bank (cont'd.)		Valuation technique using		
	Quoted Market Price	Observable Inputs	Unobservable Inputs	
	Level 1	Level 2	Level 3	Total
31 December 2025	RM'000	RM'000	RM'000	RM'000
Financial assets				
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
Financial liabilities				
Islamic derivative financial assets	-	26,972	-	26,972
Total financial liabilities measured at fair value	-	26,972	-	26,972

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 a reconciliation of Level 3 fair values:

	Group	
	30 June 2026 RM'000	**31 December 2025 RM'000**
At 1 January 2026/2025	**303,380**	425,489
Loss recognised in statements of in profit or loss	**(3,668)**	(12,320)
Loss recognised in other comprehensive income	**(10,242)**	(58,070)
Redemption	**(48,530)**	(44,798)
Foreign exchange translation difference	**48**	(6,921)
At 30 June 2026/ 31 December 2025	**240,988**	303,380

	Bank	
	30 June 2026 RM'000	**31 December 2025 RM'000**
At 1 January 2026/2025	**303,380**	420,413
Loss recognised in statements of in profit or loss	**(3,668)**	(12,320)
Loss recognised in other comprehensive income	**(10,242)**	(58,070)
Redemption	**(48,530)**	(39,722)
Foreign exchange translation difference	**48**	(6,921)
At 30 June 2026/ 31 December 2025	**240,988**	303,380

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 **30 June 2026**	**Business banking** **RM'000**	**Consumer banking** **RM'000**	**Treasury** **RM'000**	**Others** **RM'000**	**Total** **RM'000**
Revenue	**212,818**	**794,927**	**192,946**	**2,394**	**1,203,085**
Total income	**110,251**	**341,763**	**22,386**	**166,001**	**640,401**
(Allowance for)/write-back of impairment on financing	**(351)**	**(96,721)**	**1,776**	**(1,782)**	**(97,078)**
Allowance for impairment losses on investments	**-**	**-**	**(201)**	**1,776**	**1,575**
Allowance for impairment on other financial assets, net	**-**	**-**	**(61)**	**-**	**(61)**
Other expenses	**-**	**-**	**-**	**(39,856)**	**(39,856)**
Total net income	**109,900**	**245,042**	**23,900**	**126,139**	**504,981**
Total overhead expenses					**(382,148)**
Profit before zakat and taxation					**122,833**
Zakat					**(3,141)**
Taxation					**(30,857)**
Profit for the period					**88,835**

35. Segment information (cont'd.)

(a) Business segments (cont'd.)

Group **30 June 2025**	**Business banking** **RM'000**	**Consumer banking** **RM'000**	**Treasury** **RM'000**	**Others** **RM'000**	**Total** **RM'000**
Revenue	222,831	710,115	185,686	7,137	1,125,769
Total income	111,308	270,752	6,954	163,643	552,657
Write-back of/(allowance for) impairment on financing	46,316	(78,907)	1,060	-	(31,531)
Allowance for impairment losses on investments	-	-	(6)	-	(6)
Write-back of impairment on other financial assets, net	-	-	90	-	90
Other expenses	-	-	-	(23,766)	(23,766)
Total net income	157,624	191,845	8,098	139,877	497,444
Total overhead expenses					(334,527)
Profit before zakat and taxation					162,917
Zakat					(4,199)
Taxation					(37,997)
Profit for the period					120,721

Bank **30 June 2026**	**Business banking** **RM'000**	**Consumer banking** **RM'000**	**Treasury** **RM'000**	**Others** **RM'000**	**Total** **RM'000**
Revenue	**212,818**	**794,927**	**192,946**	**2,032**	**1,202,723**
Total Income	**110,251**	**341,763**	**22,386**	**165,486**	**639,886**
(Allowance for)/write-back of impairment on financing	**(351)**	**(96,721)**	**1,776**	**(1,782)**	**(97,078)**
Allowance for impairment losses on investments	**-**	**-**	**(201)**	**1,776**	**1,575**
Allowance for impairment on other financial assets, net	**-**	**-**	**(61)**	**-**	**(61)**
Other expenses	**-**	**-**	**-**	**(39,856)**	**(39,856)**
Total net income	**109,900**	**245,042**	**23,900**	**125,624**	**504,466**
Total overhead expenses					**(381,259)**
Profit before zakat and taxation					**123,207**
Zakat					**(3,080)**
Taxation					**(30,884)**
Profit for the period					**89,243**

35. Segment information (cont'd.)

(a) Business segments (cont'd.)

Bank **30 June 2025**	**Business banking** **RM'000**	**Consumer banking** **RM'000**	**Treasury** **RM'000**	**Others** **RM'000**	**Total** **RM'000**
Revenue	222,831	710,115	185,687	6,691	1,125,324
Total Income	111,308	270,752	6,954	163,072	552,086
Write-back of/(allowance for) impairment on financing	46,316	(78,907)	1,060	-	(31,531)
Allowance for impairment losses on investments	-	-	(6)	-	(6)
Write-back of impairment on other financial assets, net	-	-	90	-	90
Other expenses	-	-	-	(23,766)	(23,766)
Total net income	157,624	191,845	8,098	139,306	496,873
Total overhead expenses					(333,950)
Profit before zakat and taxation					162,923
Zakat					(4,073)
Taxation					(36,859)
Profit for the period					121,991

36. Performance review and outlook

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

	Group 6 months ended			
	30 June 2026	30 June 2025	Variance	
Key Profit or Loss Items:	RM'000	RM'000	RM'000	%
Revenue	**1,203,085**	1,125,769	77,316	6.9
Income attributable to depositors	**(562,684)**	(573,112)	10,428	(1.8)
Net Income	**504,981**	497,444	7,537	1.5
Profit Before Zakat and Tax ("PBZT")	**122,833**	162,917	(40,084)	(24.6)
Profit After Zakat and Tax ("PAZT")	**88,835**	120,721	(31,886)	(26.4)

For the six months ended 30 June 2026, Bank Muamalat Group recorded PAZT of RM88.8 million, 26.4% lower than the RM120.7 million posted in the corresponding period of 2025, with PBZT declining 24.6% to RM122.8 million (June 2025: RM162.9 million). The decline principally reflects a substantial increase in net impairment charges, together with higher overheads which outweighed a resilient top line and continued margin expansion.

Total revenue rose 6.9% year-on-year to RM1,203.1 million, led by financing income of RM954.1 million, up 6.9%, supported by improved income yields following the implementation of the PASCAL financing strategy despite a lower OPR environment, with the balance contributed by investment and other income. Income attributable to depositors declined 1.8% to RM562.7 million: the cost of customer deposits fell on an improved funding mix and the 25 basis point OPR reduction, partly offset by higher returns to investment account holders in line with a larger investment account base. Together with higher funded income, this lifted the Net Income Margin to 2.34%, 33 basis points higher than the 2.01% recorded a year earlier, and supported a 1.6% increase in net income to RM505.0 million.

Net impairment allowances on financing and investments rose to approximately RM95.6 million (June 2025: RM31.4 million). The increase was driven largely by significantly lower bad-debt recoveries RM11.8 million, against RM68.9 million a year earlier, which had benefited from sizeable one-off recoveries and by higher collective provisions, including the impact of a change in the expected credit loss treatment of the AKPK portfolio and provisioning on the PF3 financing portfolio. Asset quality is being actively managed through intensified recovery and collection efforts, with the AKPK-related provisioning expected to ease in the second half as the majority of the accounts complete their nursing period.

Total overheads increased 18.2% to RM337.8 million, comprising personnel expenses of RM192.8 million (up 18.0%) and other overheads and expenditure of RM145.1 million (up 18.4%), reflecting continued investment in people, technology and franchise-building. Finance cost decreased 8.9% to RM44.3 million, aided by the maturity and lower rate refinancing of Cagamas borrowings.

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

Performance review : Current Year-to-date vs. Previous Year-to-date (cont'd.)

As at 30 June 2026, total assets expanded 3.8% year-on-year to RM46.3 billion (30 June 2025: RM44.6 billion). Financing to customers grew 3.5% to RM34.4 billion (30 June 2025: RM33.2 billion), while customer deposits and investment accounts rose 4.1% to RM38.8 billion (30 June 2025: RM37.3 billion). The gross impaired financing ratio rose to 1.63% (30 June 2025: 1.24%), consistent with the higher provisioning noted above, while the CASA ratio stood at 32.51% (30 June 2025: 29.76%). The Group's capital position strengthened over the period, supported by the issuance of Subordinated Sukuk Wakalah, with the CET1 ratio improving to 12.02% (30 June 2025: 11.14%) and the Total Capital Ratio to 17.87%, underscoring a robust capital base to support growth.

Performance review : Current quarter vs. preceding quarter (Q2 2026 vs Q1 2026)

	Group 3 months ended			
	30 June 2026	31 March 2026	Variance	
Key Profit or Loss Items:	RM'000	RM'000	RM'000	%
Revenue	**611,310**	591,775	19,535	3.3
Income attributable to depositors	**(281,681)**	(281,003)	(678)	0.2
Net Income	**257,334**	247,646	9,688	3.9
Profit Before Zakat and Tax ("PBZT")	**60,050**	62,780	(2,730)	(4.3)
Profit After Zakat and Tax ("PAZT")	**43,506**	45,327	(1,821)	(4.0)

For the three months ended 30 June 2026, Bank Muamalat Group recorded Profit After Zakat and Tax ("PAZT") of RM43.5 million, 4.0% lower than the RM45.3 million posted in the immediately preceding quarter, with Profit Before Zakat and Tax ("PBZT") easing 4.3% to RM60.1 million (Q1 FY2026: RM62.8 million). While net income advanced 3.9% to RM257.3 million on stronger core revenue, the improvement was absorbed by higher operating expenses and a further step-up in impairment provisioning.

Revenue grew 3.3% quarter-on-quarter to RM611.3 million, led by income from financing, which rose 4.6% to RM487.9 million (Q1 FY2026: RM466.2 million) on continued asset growth and firmer yields. Income attributable to depositors was broadly stable, edging up 0.2%, or RM0.7 million, to RM281.7 million from the ongoing improvement in funding mix.

Total overheads increased 6.8%, or RM11.2 million, to RM174.5 million (Q1 FY2026: RM163.3 million), reflecting continued investment in personnel and technology, including the ATLAS digital banking platform, together with higher business-generation costs. Finance cost rose 5.9%, or RM1.3 million, to RM22.8 million. Net impairment allowances on financing and investments increased to approximately RM51.2 million (Q1 FY2026: RM44.4 million), as recoveries remained subdued and collective provisions rose.

Total assets grew 3.3% quarter-on-quarter to RM46.3 billion (31 March 2026: RM44.8 billion), supported by financing and liquid-asset growth, while customer deposits and investment accounts continued to expand.

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

Performance review : Current Quarter vs. Previous Year Corresponding Quarter

	Group 3 months ended			
	30 June 2026	30 June 2025	Variance	
Key Profit or Loss Items:	**RM'000**	**RM'000**	**RM'000**	**%**
Revenue	**611,310**	565,890	45,420	8.0
Income attributable to depositors	**(281,681)**	(288,007)	6,326	(2.2)
Net Income	**257,334**	274,667	(17,333)	(6.3)
Profit Before Zakat and Tax ("PBZT")	**60,050**	107,030	(46,980)	(43.9)
Profit After Zakat and Tax ("PAZT")	**43,506**	80,407	(36,901)	(45.9)

Against the corresponding quarter of 2025, the Bank Muamalat Group recorded PAZT of RM43.5 million, 45.9% lower than the RM80.4 million achieved a year earlier, while PBZT declined 43.9% to RM60.1 million (Q2 FY2025: RM107.0 million). The reduction was driven principally by a swing to a net impairment charge and higher overheads, which outweighed robust revenue growth and continued margin expansion.

Revenue grew 8.0% year-on-year to RM611.3 million (Q2 FY2025: RM565.9 million), led by income from financing, which increased 7.7% to RM487.9 million on a larger financing base and improved income yields following the PASCAL financing strategy. Income attributable to depositors fell 2.2% to RM281.7 million, reflecting disciplined funding-mix management and the lower Overnight Policy Rate. The combination of higher funded income and lower funding cost lifted the Group Net Income Margin to 2.34%, an increase of 33 basis points from 2.01% in the corresponding quarter of 2025.

Net income declined 6.3% to RM257.3 million as the revenue and funding gains were more than offset by the movement in impairment. Net impairment allowances on financing and investments swung from a net write-back of RM9.3 million in Q2 FY2025 to a net charge of approximately RM51.2 million in the current quarter. It is due to the large bad debt recoveries in the previous year which is an adverse movement of about RM60.5 million and the principal driver of the lower PBZT. Total overheads rose 20.3% year-on-year to RM174.5 million (Q2 FY2025: RM145.0 million), while finance cost was broadly stable, up 0.7% to RM22.8 million.

As at 30 June 2026, total assets stood at RM46.3 billion, 3.8% higher than a year earlier (30 June 2025: RM44.6 billion), underpinned by financing growth. Financing to customers rose 3.5% to RM34.4 billion (30 June 2025: RM33.2 billion), while customer deposits and investment accounts grew 4.1% to RM38.8 billion (30 June 2025: RM37.3 billion). Reflecting the higher provisioning during the year, the gross impaired financing (“GIF”) ratio rose to 1.63% (30 June 2025: 1.24%) and the CASA ratio stood at 32.51% (30 June 2025: 29.76%). The Group's capital position strengthened, supported by the issuance of Subordinated Sukuk Wakalah, with the CET1 ratio at 12.02% (30 June 2025: 11.14%).

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

Outlook

The Malaysian economy expanded by 5.8% year-on-year in the second quarter of 2026, surpassing consensus estimates of 5.3%. In addition, the economic growth also improved from 5.4% expansion during March quarter. The stronger growth was driven by firmer activity in the manufacturing and mining, while services and construction industries continued to provide steady support to overall economic activity.

The services sector expanded by 5.4% year-on-year (1Q2026: +5.6%), reflecting continued strength in consumer-facing and business-related activities, with wholesale and retail trade, information and communication, and transportation and storage remaining key contributors. The manufacturing sector accelerated to 7.5% (1Q2026: +5.9%), reflecting stronger production across export-oriented and domestic industrial activities, led by electrical and electronic products, petroleum and chemical products, as well as metal-related industries. Mining rebounded sharply to 10.2% following a contraction in the previous quarter (1Q2026: -2.1%), reflecting higher natural gas production, while construction expanded by 6.6% (1Q2026: +7.7%), supported by continued project implementation across all segments, particularly non-residential building activities. In contrast, agriculture contracted by 3.7% (1Q2026: +2.6%), mainly due to weaker performance in oil palm and fishing.

Following stronger-than-expected growth in the first half of 2026 (1H 2026: 5.6%), we expect economic activity will continue to grow at a healthy speed in the second half of the year. Economic growth should continue to be supported by the global technology upcycle, which is expected to underpin Malaysia's export performance, particularly in the electrical and electronics sector. Domestic investment is also likely to remain firm, driven by ongoing infrastructure and data centre-related projects. Household spending, however, is expected to moderate as consumers remain cautious amid a more uncertain external environment. Domestically, the upcoming state elections are likely to intensify speculation surrounding the timing of the next General Election, which could contribute to a more cautious business environment and financial market volatility. This, in turn, may have negative repercussion on business and investors sentiment in the second half of the year. Against such backdrop, the GDP growth is projected to grow in the region of 4.0% to 5.0% in the 2H2026.

For the Bank, the favourable growth outlook should continue to support financing activities, particularly across business-related segments, amid softer household financing growth in recent months. The stronger-than-expected economic performance also reinforces our view that Bank Negara Malaysia will keep the OPR unchanged for the remainder of 2026. Nevertheless, continued strength in economic activity, particularly across high-growth states, suggests that conditions for a gradual policy normalisation could become more evident in 2027, should domestic demand and inflationary pressures continue to firm.