

Deutsche Bank (Malaysia) Berhad
Company Registration No. 199401026871 (312552-W)
(Incorporated in Malaysia)
and its subsidiaries

Unaudited Condensed Interim Financial Statements
for the Financial Period ended 31 March 2025



Consolidated Statements of Financial Position
As at 31 March 2025 - Unaudited

		Group		Bank	
	Note	31 March 2025 RM'000	31 December 2024 RM'000	31 March 2025 RM'000	31 December 2024 RM'000
Assets					
Cash and short-term funds	12	2,862,704	2,826,640	2,862,704	2,826,640
Deposits and placements with banks and other financial institutions		229,996	229,996	229,996	229,996
Reverse repurchase agreements		236,545	111,450	236,545	111,450
Financial securities measured at FVTPL	13	2,239,576	1,934,302	2,239,576	1,934,302
Financial securities measured at FVOCI	14	2,126,212	2,104,191	2,126,212	2,104,191
Loans, advances and financing	15	1,688,233	1,622,711	1,688,233	1,622,711
Derivative assets		868,862	1,262,824	868,862	1,262,824
Other assets	16	1,127,729	508,070	1,127,729	508,070
Statutory deposit with Bank Negara Malaysia		10,000	-	10,000	-
Investments in subsidiary companies		-	-	20	20
Property and equipment		5,530	6,329	5,530	6,329
Right-of-use assets		2,931	3,277	2,931	3,277
Deferred tax assets		3,925	7,486	3,925	7,486
Total assets		<u>11,402,243</u>	<u>10,617,276</u>	<u>11,402,263</u>	<u>10,617,296</u>
Liabilities and equity					
Deposits from customers	17	5,598,107	5,188,338	5,598,127	5,188,358
Deposits and placements of banks and other financial institutions	18	1,813,435	1,465,378	1,813,435	1,465,378
Lease liabilities		2,977	3,312	2,977	3,312
Derivative liabilities		739,930	1,183,297	739,930	1,183,297
Other liabilities	19	1,248,674	836,923	1,248,674	836,923
Tax payable		8,800	8,771	8,800	8,771
Total liabilities		<u>9,411,923</u>	<u>8,686,019</u>	<u>9,411,943</u>	<u>8,686,039</u>
Equity					
Share capital		531,362	531,362	531,362	531,362
Reserves		<u>1,458,958</u>	<u>1,399,895</u>	<u>1,458,958</u>	<u>1,399,895</u>
Total equity attributable to owner of the Bank		<u>1,990,320</u>	<u>1,931,257</u>	<u>1,990,320</u>	<u>1,931,257</u>
Total liabilities and equity		<u>11,402,243</u>	<u>10,617,276</u>	<u>11,402,263</u>	<u>10,617,296</u>
Commitments and contingencies	26	<u>175,706,597</u>	<u>185,294,551</u>	<u>175,706,597</u>	<u>185,294,551</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the Group and the Bank for the year ended 31 December 2024.

Consolidated Statements of Profit or Loss and Other Comprehensive Income
For The Financial Period Ended 31 March 2025 - Unaudited

	Note	Group and Bank			
		1 st quarter ended 31 March 2025 RM'000	31 March 2024 RM'000	Three months ended 31 March 2025 RM'000	31 March 2024 RM'000
Interest income	20	84,723	99,668	84,723	99,668
Interest expense	21	(25,469)	(36,942)	(25,469)	(36,942)
Net interest income		59,254	62,726	59,254	62,726
Net income from Islamic Banking Operations	27	1,218	1,187	1,218	1,187
Non-interest income	22	57,361	43,385	57,361	43,385
Operating income		117,833	107,298	117,833	107,298
Other operating expenses	23	(43,698)	(42,342)	(43,698)	(42,342)
Operating profit		74,135	64,956	74,135	64,956
Write-back of expected credit losses	24	942	471	942	471
Profit before tax		75,077	65,427	75,077	65,427
Tax expense		(18,330)	(16,375)	(18,330)	(16,375)
Net profit for the period		<u>56,747</u>	<u>49,052</u>	<u>56,747</u>	<u>49,052</u>
Other comprehensive income:					
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Net change in fair value on debt securities measured at FVOCI		3,060	1,959	3,060	1,959
Net changes in ECL reserves		(13)	(337)	(13)	(337)
Income tax effect		(731)	(389)	(731)	(389)
Total other comprehensive income for the period		<u>2,316</u>	<u>1,233</u>	<u>2,316</u>	<u>1,233</u>
Total comprehensive income for the period		<u>59,063</u>	<u>50,285</u>	<u>59,063</u>	<u>50,285</u>
Earnings per share (sen)		<u>32.7 sen</u>	<u>28.3 sen</u>	<u>32.7 sen</u>	<u>28.3 sen</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the Group and the Bank for the year ended 31 December 2024.

Consolidated Statements Of Changes In Equity
For The Financial Period Ended 31 March 2025

Group and Bank	Attributable to owner of the Bank					Total RM'000
	Share capital RM'000	Non-distributable Other reserves RM'000	ECL reserves RM'000	Distributable Retained earnings RM'000	Total reserves RM'000	
At 1 January 2025	531,362	59,249	632	1,340,014	1,399,895	1,931,257
Total comprehensive income/(loss) for the period	-	2,326	(10)	56,747	59,063	59,063
At 31 March 2025	531,362	61,575	622	1,396,761	1,458,958	1,990,320
At 1 January 2024	531,362	57,703	429	1,306,134	1,364,266	1,895,628
Total comprehensive income/(loss) for the period	-	1,490	(257)	49,052	50,285	50,285
At 31 March 2024	531,362	59,193	172	1,355,186	1,414,551	1,945,913

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the Group and the Bank for the year ended 31 December 2024.

**Condensed Consolidated Statements Of Cash Flows
For The Financial Period Ended 31 March 2025**

	Group and Bank	
	31 March 2025	31 March 2024
	RM'000	RM'000
Profit before tax	75,077	65,427
Adjustments for non-operating and non-cash items	(55,430)	(88,620)
Operating profit/(loss) before working capital changes	19,647	(23,193)
Changes in working capital:		
Net changes in operating assets	(1,677,699)	(2,807,937)
Net changes in operating liabilities	1,709,955	1,223,265
Income tax paid	(15,471)	(18,593)
Net cash generated from/(used in) operations	36,432	(1,626,458)
Cash flows from investing activities:		
Purchase of property and equipment	-	(1,324)
Net cash used in investing activities	-	(1,324)
Cash flows from financing activities:		
Payment of lease liabilities	(366)	(366)
Net cash used in financing activities	(366)	(366)
Net increase/(decrease) in cash and cash equivalents	36,066	(1,628,148)
Cash and cash equivalents at beginning of the period	3,056,660	3,333,299
Cash and cash equivalents at end of the period	3,092,726	1,705,151
Analysis of cash and cash equivalents:		
Cash and short-term funds	2,862,726	1,705,151
Deposits and placement with banks and other financial institutions	230,000	-
Cash and cash equivalents at the end of the period	3,092,726	1,705,151

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the Group and the Bank for the year ended 31 December 2024.

**Explanatory Notes to the Interim Financial Statements
for the Financial Period Ended 31 March 2025**

1. Basis of preparation

The unaudited interim financial statements for the financial period ended 31 March 2025 have been prepared under the historical cost convention except for reverse repurchase agreements, financial securities and derivative financial instruments which are stated at fair values.

The unaudited interim financial statements have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB"). The unaudited interim financial statements should be read in conjunction with the audited annual financial statements for the Group and the Bank for the financial year ended 31 December 2024. The explanatory notes attached to the 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 year ended 31 December 2024.

The unaudited interim financial statements incorporated those activities relating to the Islamic banking business. Islamic banking business refers generally to the acceptance of deposits under the principles of Shariah.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2024, except for the adoption of the following Malaysian Financial Reporting Standard ("MFRS"), Amendments to MFRSs and IC Interpretation that have been issued by the Malaysian Accounting Standard Board ("MASB"):

The following are financial reporting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Bank:

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*

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*

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*

1. Basis of preparation (continued)

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

- from the annual period beginning on 1 January 2026 for the amendments that is effective for annual periods beginning on or after 1 January 2026; and
- from the annual period beginning on 1 January 2027 for the amendments, that is effective for annual periods beginning on or after 1 January 2027.

The initial application of the accounting standards, amendments and interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Bank.

2. Audit Report

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

3. Seasonality or Cyclicity of Operations

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

4. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group and of the Bank for the financial period ended 31 March 2025.

5. Changes in Estimates

There were no significant changes in estimates of amounts reported in prior financial years that have a material effect on the financial results and position of the Group and the Bank for the financial period ended 31 March 2025.

6. Issuance and Repayment of Debt and Equity Securities

There were no issuance and repayment of debt and equity securities during the financial period ended 31 March 2025.

7. Dividend Paid

No dividend was paid during the financial period ended 31 March 2025. The proposed final dividend recommended by the Directors in respect of the financial year ended 31 December 2024 is 129.7 sen per ordinary share totalling RM225,075,000. This dividend will be recognised upon approval by the shareholder of the Bank.

8. Material Events

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

9. Changes in the composition of the Group

There were no changes in the composition of the Group for the financial period ended 31 March 2025.

10. Review of Performance

The Bank recorded profit before tax for the financial period ended 31 March 2025 of RM75.1 million compared to RM65.4 million for the previous corresponding period. Operating income increased by RM10.5 million (+9.8%) from RM107.3 million to RM117.8 million, mainly attributed to higher non-interest income by RM14.0 million (+32.2%) to RM57.4 million against RM43.4 million in the previous corresponding period. Net interest income decreased by RM3.5 million (-5.5%) from RM62.7 million to RM59.2 million.

Total assets registered an increase of RM0.8 billion (+7.4%) from RM10.6 billion as at 31 December 2024 to RM11.4 billion as at 31 March 2025. The Bank's total common equity tier 1 ratio and total capital ratio remained strong at 19.304% and 19.794%, respectively.

11. Prospects

As we progress further into 2025, the global economy exhibits a blend of resilience and vulnerability. Enhanced supply chain efficiencies, driven by advancements in logistics and digitalization, contribute to smoother global trade operations. Major central banks continue to adopt accommodative monetary policies, supporting economic growth as inflationary pressures gradually moderate.

In the United States, economic activity is buoyed by consumer spending and a resilient job market. The European Union exhibits similar positive trends, with increased investment in renewable energy and stronger intra-EU trade relations bolstering economic stability. The region benefits from a unified approach to economic policy, emphasizing sustainable growth and innovation.

Malaysia's economic trajectory for the remainder of 2025 will be shaped by a combination of external trade dynamics, domestic policy responses, and broader global trends. A key variable is the potential reinstatement of U.S. tariffs under a Trump presidency, which could disrupt trade flows, alter investment patterns, and influence Malaysia's export-driven growth model. Key sectors, including electronics and semiconductors, could face direct and indirect consequences from renewed U.S. tariffs.

The imposition of U.S. tariffs could potentially moderate the original projected 2025 GDP growth between 4.2% and 4.8% by Bank Negara Malaysia, depending on the tariff scope and Malaysia's ability to pivot toward alternative markets.

Despite external headwinds, Malaysia's economy retains several growth levers. Government initiatives aimed at boosting wages, improving investment incentives, and maintaining subsidy reforms could sustain domestic consumption. While the reintroduction of Trump-era tariffs presents downside risks, Malaysia's diversified export base, strategic role in tech manufacturing, and proactive policy adjustments may cushion the blow. The nation's ability to attract foreign direct investment to capitalise on any emerging opportunities, expand non-U.S. trade partnerships, and sustain domestic demand will be pivotal in determining its 2025 economic performance.

12. Cash and cash equivalents

12.1 Cash and short-term funds

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Cash and balances with banks and other financial institutions	393,900	213,089
Money at call and deposit placements maturing within one month	2,468,826	2,613,571
	2,862,726	2,826,660
Expected credit losses on cash and cash equivalents		
• Stage 1 – 12-month ECL	(22)	(20)
	2,862,704	2,826,640

12.2 Deposits and placements with banks and other financial institutions

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Other financial institutions - cash and cash equivalents	230,000	230,000
Impairment allowances on cash and cash equivalents		
• Stage 1 – 12-month ECL	(4)	(4)
	229,996	229,996

12. Cash and cash equivalents (continued)

The following table shows reconciliations from the opening to the closing balance of the expected credit losses for cash and cash equivalents.

Group and Bank	2025				2024			
	12-month ECL RM'000	Lifetime ECL not credit - impaired RM'000	Lifetime ECL credit - impaired RM'000	Total RM'000	12-month ECL RM'000	Lifetime ECL not credit - impaired RM'000	Lifetime ECL credit - impaired RM'000	Total RM'000
Cash and cash equivalents								
Balance at 1 January	24	-	-	24	24	-	-	24
Net remeasurement of expected credit losses	2	-	-	2	(2)	-	-	(2)
New financial assets originated or purchased	9	-	-	9	8	-	-	8
Financial assets that have been derecognised	(9)	-	-	(9)	(6)	-	-	(6)
Balance at 31 March / 31 December	26	-	-	26	24	-	-	24

13. Financial securities measured at FVTPL

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Debt securities at FVTPL		
Malaysian Government Securities	932,249	1,387,203
Malaysian Islamic Treasury Bills	8,330	216,860
Malaysian Investment Issue	1,054,404	165,236
Malaysian Treasury Bills	4,565	-
Cagamas bonds	240,028	165,003
	<u>2,239,576</u>	<u>1,934,302</u>

14. Financial securities measured at FVOCI

	Group and Bank	
	31 March 2025	31 December 2024
Debt securities at FVOCI		
Malaysian Government Securities	931,295	909,804
Malaysian Investment Issue	<u>1,178,812</u>	<u>1,178,282</u>
	2,110,107	2,088,086
Equity investments at FVOCI		
Unquoted shares in Malaysia	<u>16,105</u>	<u>16,105</u>
	<u>2,126,212</u>	<u>2,104,191</u>

14. Financial securities measured at FVOCI (continued)

The following table shows reconciliations from the opening to the closing balance of the expected credit losses for debt securities at FVOCI.

Group and Bank	2025				2024			
	12-month ECL RM'000	Lifetime ECL not credit - impaired RM'000	Lifetime ECL credit - impaired RM'000	Total RM'000	12-month ECL RM'000	Lifetime ECL not credit - impaired RM'000	Lifetime ECL credit - impaired RM'000	Total RM'000
Debt securities at FVOCI								
Balance at 1 January	832	-	-	832	565	-	-	565
Net remeasurement of expected credit losses	(13)	-	-	(13)	25	-	-	25
New financial assets originated or purchased	-	-	-	-	304	-	-	304
Financial assets that have been derecognised	-	-	-	-	(62)	-	-	(62)
Balance at 31 March / 31 December	819	-	-	819	832	-	-	832

15. Loans, advances and financing

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
<i>At amortised cost</i>		
Overdrafts	141,365	62,172
Term loans - Housing loans	2,436	2,644
- Other term loans	994,371	982,326
Bill receivable	1,892	2,314
Trust receipts	62,484	62,991
Claims on customers under acceptance credits	488,047	513,557
Gross loans, advances and financing	1,690,595	1,626,004
Expected credit losses	(2,362)	(3,293)
Net loans, advances and financing	1,688,233	1,622,711

15. Loans, advances and financing (continued)

The following table shows reconciliations from the opening to the closing balance of the expected credit losses for loans, advances and financing.

Group and Bank	2025				2024			
	12-month ECL RM'000	Lifetime ECL not credit - impaired RM'000	Lifetime ECL credit - impaired RM'000	Total RM'000	12-month ECL RM'000	Lifetime ECL not credit - impaired RM'000	Lifetime ECL credit - impaired RM'000	Total RM'000
Loans, advances and financing at amortised cost								
Balance at 1 January	1,018	1,542	733	3,293	1,822	192	1,194	3,208
Transfer to 12-month ECL	45	(18)	(27)	-	103	(25)	(78)	-
Transfer to lifetime ECL not credit- impaired	(31)	31	-	-	(2)	2	-	-
Transfer to lifetime ECL credit- impaired	(4)	-	4	-	(74)	-	74	-
Net remeasurement of expected credit losses	13	(973)	(67)	(1,027)	(378)	(3)	(457)	(838)
New financial assets originated or purchased	250	16	-	266	254	1,535	-	1,789
Financial assets that have been derecognised	(169)	(1)	-	(170)	(707)	(159)	-	(866)
Balance at 31 March / 31 December*	1,122	597	643	2,362	1,018	1,542	733	3,293

* The loss allowance in this table includes ECL on loan commitment and financial guarantees of RM1,071,100 (31 December 2024: RM1,086,000) as at the reporting date.

15. Loans, advances and financing (continued)

The maturity structure of gross loans, advances and financing are as follows:

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Maturing within one year	1,645,582	1,566,404
More than one year and three years	44,045	58,508
More than three years to five years	386	448
Over five years	582	644
	<u>1,690,595</u>	<u>1,626,004</u>

Gross loans, advances and financing analysed by type of customers are as follows:

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Domestic banking institutions	1,042	-
Domestic non-bank financial institutions	179,240	282,205
Domestic business enterprises	1,211,956	1,047,453
Individuals	2,436	2,644
Government and statutory bodies	295,071	291,388
Foreign entities	850	2,314
	<u>1,690,595</u>	<u>1,626,004</u>

Gross loans, advances and financing analysed by interest/profit rate sensitivity are as follows:

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Fixed rate		
- Other fixed rate loan/financing	17,191	17,146
Variable rate		
- Base lending rate plus	63,566	18,086
- Cost plus	1,546,986	1,527,384
- Other variable rates	62,852	63,388
	<u>1,690,595</u>	<u>1,626,004</u>

15. Loans, advances and financing (continued)

Gross loans, advances and financing analysed by geographical distribution are as follows:

	Group and Bank	
	31 March 2025	31 December 2024
	RM'000	RM'000
Malaysia	1,689,745	1,623,690
Bangladesh	850	2,314
	<u>1,690,595</u>	<u>1,626,004</u>

Gross loans, advances and financing analysed by economic sector are as follows:

	Group and Bank	
	31 March 2025	31 December 2024
	RM'000	RM'000
Manufacturing	513,689	415,787
Construction	60,548	57,348
Wholesale & retail trade and restaurants & hotels	480,610	428,911
Transport, storage and communication	95,107	105,228
Finance, insurance and business services	203,018	284,616
Education, health and others	295,071	291,388
Household	2,436	2,644
Primary agriculture	40,116	40,082
	<u>1,690,595</u>	<u>1,626,004</u>

Movements in impaired loans, advances and financing are as follows:

	Group and Bank	
	31 March 2025	31 December 2024
	RM'000	RM'000
Balance at 1 January	1,576	1,979
Classified as impaired during the period/year	38	196
Reclassified as non-impaired during the period/year	(71)	(291)
Amounts recovered	(50)	(308)
At 31 March 2025/31 December 2024	<u>1,493</u>	<u>1,576</u>
Gross impaired loans as a percentage of gross loans, advances and financing	<u>0.09%</u>	<u>0.10%</u>

Impaired loans, advances and financing analysed by economic sector and geographical distribution are as follows:

	Group and Bank	
	31 March 2025	31 December 2024
	RM'000	RM'000
Household (Malaysia)	<u>1,493</u>	<u>1,576</u>

16. Other assets

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Interest/Income receivable	54,270	42,440
Margin placed with futures exchange	36,223	37,351
Collateral deposits placed with counterparty financial institutions	79,830	141,749
Securities receivable	817,719	115,808
Amount due from intercompanies	27,216	34,602
Other debtors, deposits and prepayments	112,471	136,120
	<u>1,127,729</u>	<u>508,070</u>

17. Deposits from customers

	Group		Bank	
	31 March 2025 RM'000	31 December 2024 RM'000	31 March 2025 RM'000	31 December 2024 RM'000
Demand deposits	4,772,466	4,590,625	4,772,486	4,590,645
Fixed deposits	488,965	352,681	488,965	352,681
Other deposits	336,676	245,032	336,676	245,032
	<u>5,598,107</u>	<u>5,188,338</u>	<u>5,598,127</u>	<u>5,188,358</u>

The maturity structure of fixed deposits and other deposits are as follows:

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Due within six months	825,141	372,681
More than one year to three years	500	225,032
	<u>825,641</u>	<u>597,713</u>

The deposits are sourced from the following types of customers:

	Group		Bank	
	31 March 2025 RM'000	31 December 2024 RM'000	31 March 2025 RM'000	31 December 2024 RM'000
Business enterprises	4,726,081	4,450,858	4,726,101	4,450,878
Foreign customers	132,469	79,871	132,469	79,871
Domestic non-bank financial institutions	739,557	657,609	739,557	657,609
	<u>5,598,107</u>	<u>5,188,338</u>	<u>5,598,127</u>	<u>5,188,358</u>

18. Deposits and placements of banks and other financial institutions

	Group and Bank	
	31 March	31 December
	2025	2024
	RM'000	RM'000
Licensed banks	-	179,460
Other financial institutions	1,813,435	1,285,918
	<u>1,813,435</u>	<u>1,465,378</u>

19. Other liabilities

	Group and Bank	
	31 March	31 December
	2025	2024
	RM'000	RM'000
Interest payable	3,604	3,597
Bills payable	1,218	2,372
Employee benefits	20,351	29,483
Collateral deposits received from counterparties	426,753	476,961
Regulated short-selling activities	233,517	24,399
Securities payable	439,392	149,717
Amount due to intercompanies	42,241	40,354
Other liabilities	81,598	110,040
	<u>1,248,674</u>	<u>836,923</u>

20. Interest income

	Group and Bank			
	1 st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing	19,348	29,533	19,348	29,533
Money at call and deposit placements with financial institutions	19,003	16,342	19,003	16,342
Reverse repurchase agreements	1,982	3,932	1,982	3,932
Financial securities				
- measured at FVTPL	26,148	33,160	26,148	33,160
- measured at FVOCI	18,028	16,441	18,029	16,441
Others	214	260	214	260
	<u>84,723</u>	<u>99,668</u>	<u>84,723</u>	<u>99,668</u>
Interest on credit-impaired assets included in interest income of loans, advances and financing	<u>16</u>	<u>16</u>	<u>16</u>	<u>16</u>

21. Interest expense

	Group and Bank			
	1 st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	7,846	12,008	7,846	12,008
Deposits from customers	17,057	24,912	17,057	24,912
Repurchase agreements	535	16	535	16
Interest expense on lease liabilities	31	5	31	5
Other interest expense	-	1	-	1
	<u>25,469</u>	<u>36,942</u>	<u>25,469</u>	<u>36,942</u>

22. Non-interest income

	Group and Bank			
	1 st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Fee income:				
Commissions	695	1,630	695	1,630
Service charges and fees	4,509	4,100	4,509	4,100
Guarantee fees	955	1,532	955	1,532
	<u>6,159</u>	<u>7,262</u>	<u>6,159</u>	<u>7,262</u>
Fee expense:				
Commissions	(1,245)	(1,069)	(1,245)	(1,069)
Service charges and fees	(933)	(996)	(933)	(996)
	<u>(2,178)</u>	<u>(2,065)</u>	<u>(2,178)</u>	<u>(2,065)</u>
Net fee income	<u>3,981</u>	<u>5,197</u>	<u>3,981</u>	<u>5,197</u>
Net gains from financial instruments:				
Net gain/(loss) arising on financial securities:				
Realised gain/(loss)	461	(4,292)	461	(4,292)
Unrealised gain/(loss)	811	(12,188)	811	(12,188)
Net gain/(loss) arising on trading derivatives:				
Realised gain/(loss)	9,443	(66,682)	9,443	(66,682)
Unrealised gain	55,203	100,982	55,203	100,982
Foreign exchange (loss)/gain	(14,047)	17,807	(14,047)	17,807
Other income:				
Other operating income, net				
Intercompany income	1,671	2,074	1,671	2,074
Others	(162)	487	(162)	487
	<u>53,380</u>	<u>38,188</u>	<u>53,380</u>	<u>38,188</u>
	<u>57,361</u>	<u>43,385</u>	<u>57,361</u>	<u>43,385</u>

23. Other operating expenses

	Group and Bank			
	1 st quarter ended		Three months ended	
	31	31	31	31
	March	March	March	March
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Personnel costs:				
Salaries, allowances and bonuses	13,575	12,169	13,575	12,169
Others	3,016	3,295	3,016	3,295
Establishment costs:				
Rental	111	84	111	84
Depreciation - property and equipment	799	870	799	870
Depreciation - right-of-use assets	346	260	346	260
Others	2,271	2,712	2,271	2,712
Marketing expenses	531	533	531	533
Administration and general expenses:				
Intercompany charges	21,134	21,344	21,134	21,344
Communication	263	88	263	88
Others	1,652	987	1,652	987
	<u>43,698</u>	<u>42,342</u>	<u>43,698</u>	<u>42,342</u>

The number of employees of the Group and the Bank at the end of the period was 207 (March 2024: 201).

24. Write-back of expected credit losses

	Group and Bank			
	1 st quarter ended		Three months ended	
	31	31	31	31
	March	March	March	March
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Write-back of/(Allowance for) expected credit losses				
- loans, advances and financing	931	125	931	125
- cash and cash equivalents	(2)	9	(2)	9
- debt securities at FVOCI	13	337	13	337
	<u>942</u>	<u>471</u>	<u>942</u>	<u>471</u>

25. Capital adequacy

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Components of Tier 1 and Tier 2 capital are as follows:		
Tier 1 capital		
Paid-up share capital	531,362	531,362
Other disclosed reserves	16,575	14,249
Retained earnings #	1,340,014	1,340,014
Less: Deferred tax assets	(3,925)	(7,486)
Less: Cumulative gains of FVOCI	(9,116)	(7,837)
Total common equity tier 1/Total tier 1 capital	1,874,910	1,870,302
Tier 2 capital		
Expected credit losses ("ECL")*	2,564	3,416
Regulatory reserve	45,000	45,000
Total capital base	1,922,474	1,918,718
Common equity tier 1/Tier 1 capital ratio	19.304%	23.737%
Total capital ratio	19.794%	24.351%

Retained earnings before the final dividend declared and after dividend paid and for 31 March 2025 and 31 December 2024 respectively.

* Refers to ECL for Stage 1 and Stage 2.

25. Capital adequacy (continued)

The capital adequacy ratios of the Group and of the Bank are computed in accordance with Bank Negara Malaysia's Policy Document on Capital Adequacy Framework (Capital Components) and (Basel II – Risk-Weighted Assets) reissued on 14 June 2024 and 18 December 2023, respectively. The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The minimum regulatory capital adequacy ratios before including capital conservation buffer and countercyclical capital buffer (CCyB) are 4.5% for CET1 Capital Ratio, 6.0% for Tier 1 Capital Ratio and 8.0% for Total Capital Ratio.

The capital conservation buffer required to be maintained in the form of CET1 Capital above the minimum regulatory capital adequacy ratios requirement is at 2.5%.

The CCyB which is in a range of between 0% and 2.5%, and not a requirement for exposure in Malaysia yet but may be applied by regulators in the future.

The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

Risk Type	Risk-Weighted Assets	
	31 March 2025 RM'000	31 December 2024 RM'000
1. Credit risk	4,990,914	4,708,991
2. Market risk	2,844,338	2,329,060
3. Operational risk	1,877,102	841,326
Total	9,712,354	7,879,377

26. Commitments and contingencies

The off-balance sheet exposures and their related counterparty credit risk of the Group and of the Bank are as follows:

Group and Bank 31 March 2025	Principal Amount	Credit Equivalent Amount	Risk- Weighted Assets
	RM'000	RM'000	RM'000
<u>Contingent liabilities</u>			
Direct credit substitutes	-	-	-
Transaction related contingent items	901,479	450,740	417,627
Short-term self liquidating trade related contingencies	10,612	2,122	1,511
<u>Commitments</u>			
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	535,595	267,797	267,797
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	4,131,462	826,292	826,292
Any commitments that are unconditionally cancelled at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	-	-	-
<u>Derivative financial instruments</u>			
Foreign exchange related contracts			
One year or less	19,013,250	416,752	268,781
Over one year to five years	649,130	39,996	35,495
Over five years	-	-	-
Interest/profit rate related contracts			
One year or less	150,000	635	635
Over one year to five years	233,663	4,225	3,714
Over five years	-	-	-
OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements			
- Foreign exchange related contracts	63,577,761	917,720	244,273
- Interest/profit rate related contracts	86,503,645	697,654	216,812
Total	175,706,597	3,623,933	2,282,937

26. Commitments and contingencies (continued)

The off-balance sheet exposures and their related counterparty credit risk of the Group and of the Bank are as follows (continued):

Group and Bank 31 December 2024	Principal Amount	Credit Equivalent Amount	Risk- Weighted Assets
	RM'000	RM'000	RM'000
<u>Contingent liabilities</u>			
Direct credit substitutes	-	-	-
Transaction related contingent items	824,595	412,298	349,843
Short-term self liquidating trade related contingencies	23,233	4,647	4,093
<u>Commitments</u>			
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	735,750	367,875	367,875
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	4,190,141	838,028	838,028
Any commitments that are unconditionally cancelled at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	-	-	-
<u>Derivative financial instruments</u>			
Foreign exchange related contracts			
One year or less	20,924,041	558,033	365,211
Over one year to five years	583,219	38,544	38,544
Over five years	-	-	-
Interest/profit rate related contracts			
One year or less	60,000	190	190
Over one year to five years	323,663	5,472	4,976
Over five years	-	-	-
OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements			
- Foreign exchange related contracts	67,744,131	1,003,422	253,275
- Interest/profit rate related contracts	89,885,778	672,103	217,737
Total	185,294,551	3,900,612	2,439,772

27. The operations of Islamic Banking

Statement of Financial Position
As at 31 March 2025 – Unaudited

		Group and Bank	
	Note	31 March 2025 RM'000	31 December 2024 RM'000
Assets			
Cash and short-term funds	(a)	325,211	344,630
Financing and advances	(b)	600	-
Other assets		101	28
Total assets		<u>325,912</u>	<u>344,658</u>
Liabilities and Islamic Banking funds			
Deposits from customers	(c)	287,990	306,515
Other liabilities	(d)	14	245
Tax payable		278	1,148
Total liabilities		<u>288,282</u>	<u>307,908</u>
Capital funds		25,000	25,000
Reserves		<u>12,630</u>	<u>11,750</u>
Islamic Banking funds		<u>37,630</u>	<u>36,750</u>
Total liabilities and Islamic Banking funds		<u>325,912</u>	<u>344,658</u>
Commitments and contingencies		<u>-</u>	<u>-</u>

27. The operations of Islamic Banking (continued)

Statement Of Profit or Loss and Other Comprehensive Income
For The Financial Period Ended 31 March 2025 - Unaudited

	Note	Group and Bank			
		1 st quarter ended 31 March 2025 RM'000	31 March 2024 RM'000	Three months ended 31 March 2025 RM'000	31 March 2024 RM'000
Income derived from investment of Islamic funds	(e)	1,218	1,187	1,218	1,187
Total net income		1,218	1,187	1,218	1,187
Other operating expenses		(60)	(59)	(60)	(59)
Operating profit		1,158	1,128	1,158	1,128
Write-back of expected credit losses		-	-	-	-
Profit before tax		1,158	1,128	1,158	1,128
Tax expense		(278)	(271)	(278)	(271)
Profit for the period		880	857	880	857
Other comprehensive income:					
<i>Movement in fair value reserve (debt securities):</i>					
Net change in fair value		-	-	-	-
Net amount transferred to profit or loss		-	-	-	-
Income tax effect relating to component of other comprehensive income		-	-	-	-
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		880	857	880	857

27. The operations of Islamic Banking (continued)

Statement Of Changes In Islamic Banking Funds
For The Financial Period Ended 31 March 2025

Group and Bank	Capital funds RM'000	Other reserve RM'000	Retained earnings RM'000	Total RM'000
At 1 January 2025	25,000	-	11,750	36,750
Total comprehensive income for the period	-	-	880	880
At 31 March 2025	25,000	-	11,750	37,630
At 1 January 2024	25,000	-	11,632	36,632
Total comprehensive income for the period	-	-	857	857
At 31 March 2024	25,000	-	12,489	37,489

27. The operations of Islamic Banking (continued)

Statement Of Cash Flows
For The Financial Period Ended 31 March 2025

	Group and Bank	
	31 March 2025 RM'000	31 March 2024 RM'000
Cash flows from operating activities		
Profit before taxation	1,158	1,128
Adjustments for non-operating and non-cash items	-	-
Operating profit before working capital changes	1,158	1,128
Changes in working capital:		
Net changes in operating assets	(673)	(14)
Net changes in operating liabilities	(18,756)	54,524
Income taxes paid	(1,148)	(1,110)
Net cash (used in)/generated from operations	(19,419)	54,528
Net (decrease)/increase in cash and cash equivalents	(19,419)	54,528
Cash and cash equivalents at beginning of period	344,630	216,147
Cash and cash equivalents at end of period	325,211	270,675
Analysis of cash and cash equivalents:		
Cash and short-term funds	325,211	270,675

27. The operations of Islamic Banking (continued)

Shariah Committee

The Shariah Committee was established under BNM's "Policy Document on the Governance of Shariah Committee for the Islamic Financial Institutions" (BNM/GPS1) to advise the Board of Directors on Shariah matters in its Islamic business operations and to provide technical assistance in ensuring the Islamic banking products and services offered by the Bank and the relevant documentation are in compliance with Shariah principles.

The Shariah Committee comprises of Dr Uzaimah binti Ibrahim, Puan Zarinah binti Mohd Yusoff and Encik Ahamad Firdaus bin Kadir.

Basis of measurement

The financial statements of the Islamic banking business have been prepared on the basis consistent with that of the Group and of the Bank as disclosed in Note 1 to the financial statements of the Group and of the Bank.

(a) Cash and short-term funds

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Cash and balances with banks and other financial institutions	<u>325,211</u>	<u>344,630</u>

(b) Financing and advances

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
<i>At amortised cost</i>		
Other	<u>600</u>	<u>-</u>

The maturity structure of gross financing and advances are as follows:

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Maturing within one year	<u>600</u>	<u>-</u>

27. The operations of Islamic Banking (continued)

(b) Financing and advances (continued)

Gross financing and advances analysed by type of customers are as follows:

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Domestic non-bank financial institutions	<u>600</u>	<u>-</u>

Gross financing and advances analysed by profit rate sensitivity are as follows:

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Variable rate		
- Cost plus	<u>600</u>	<u>-</u>

Gross financing and advances analysed by geographical distribution are as follows:

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Malaysia	<u>600</u>	<u>-</u>

Gross financing and advances analysed by economic sector are as follows:

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Finance, insurance and business services	<u>600</u>	<u>-</u>

(c) Deposits from customers

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Demand deposits	<u>287,990</u>	<u>306,515</u>

27. The operations of Islamic Banking (continued)

(d) Other liabilities

	Group and Bank	
	31 March 2025 RM'000	31 December 2024 RM'000
Bills payable	-	231
Other liabilities	14	14
	<u>14</u>	<u>245</u>

(e) Income derived from investment of Islamic banking funds

	Group and Bank			
	1 st quarter ended		Three months ended	
	31 March 2025 RM'000	31 March 2024 RM'000	31 March 2025 RM'000	31 March 2024 RM'000
Deposits or placement with BNM	1,537	1,535	1,537	1,535
Hibah on Qard Islamic Current Account	(330)	(368)	(330)	(368)
Other income	11	20	11	20
	<u>1,218</u>	<u>1,187</u>	<u>1,218</u>	<u>1,187</u>

27. The operations of Islamic Banking (continued)

(f) Capital adequacy

The capital adequacy ratios of the Islamic banking business of the Group and the Bank are computed in accordance with the Capital Adequacy Framework for Islamic Banks (CAFIB). The Bank's Islamic banking business has adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk.

Components of Tier I and Tier II Capital:

	Group and Bank	
	31 March 2025	31 December 2024
	RM'000	RM'000
Components of Tier 1 and Tier 2 capital are as follows:		
Tier 1 capital		
Capital funds	25,000	25,000
Retained earnings [#]	11,750	11,750
Total common equity tier 1/Total tier 1 capital	36,750	36,750
Total Tier 2 capital	-	-
Total capital base	36,750	36,750
Common equity tier 1/Tier 1 capital ratio	499.694%	453.480%
Total capital ratio	499.694%	453.480%

[#] Retained earnings before the final dividend declared and after dividend paid and for 31 March 2025 and 31 December 2024 respectively.

The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

Risk Type	Risk-Weighted Assets	
	31 March 2025 RM'000	31 December 2024 RM'000
1. Credit risk	600	-
2. Market risk	-	-
3. Operational risk	6,755	8,104
Total	7,355	8,104