



2Q2025 ANALYST BRIEFING

Rafe Haneef
Group Chief Executive Officer

27 August 2025



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Agenda

- **2Q2025 KEY HIGHLIGHTS**
Rafe Haneef, GCEO

- **2Q2025 FINANCIAL PERFORMANCE**
Shahnaz Jammal, GCFO



2Q2025 FINANCIAL PERFORMANCE

QUARTER-ON-QUARTER FINANCIAL HIGHLIGHTS 1Q2025 | 2Q2025

An interim dividend of 2.00 sen has been declared, representing a dividend payout ratio of 91.2% of 1H2025 PAT, to be paid by the end of September 2025.

Asset Growth & Quality	Gross Financing		GIFR (excluding Ihsan-i)	
	RM42.6 bil RM42.9 bil Financing growth +0.7% QoQ		4.4% 4.4% Including Ihsan-i, GIFR is at 5.6% in 2Q2025	
Deposits	CASA Ratio		CASA Composition	
	9.1% 10.0% CASA ratio improved QoQ by 0.9%		89:11 88:12 Composition of CASA of corporate to retail at 88:12 in 2Q2025	
Profitability & Dividends	PBT	PAT		ROE
	RM117 mil RM133 mil	RM85 mil RM96mil		3.6% 3.7%
Capital & Liquidity	CET1		LCR	
	19.4% 19.8% Capital and liquidity position remains stable		147.1% 156.0% LCR remains strong and above the regulatory minimum requirement	

2Q2025 FINANCIAL SNAPSHOT

	1Q2025	2Q2025	Var		
Profitability (RM'mil)	Net Funded Income	336	356 ●	20	Net funded income increased in 2Q2025 by 6.0% mainly attributable to increase in NPM coupled with lower funding cost.
	Other Operating Income	43	68 ●	25	Higher non funded income in 2Q2025 mainly attributable to higher gains from the sale of financial investments.
	Net Operating Income	379	424 ●	45	
	Operating Expenses	(234)	(233) ●	1	Operating expenses remains stable, reflecting the Group's efforts in cost optimisation.
	Profit before provision (PBT before impairment)	145	191 ●	46	
	Impairment	(28)	(58) ●	(30)	Lower ECL provisioning in 1Q2025.
	Profit before taxation & zakat	117	133 ●	16	PBT improved by 14.0%, primarily driven by higher income from both funded and non-funded income.
	Profit after taxation & zakat	85	96 ●	11	
	ROE (Post tax)	3.6%	3.7% ●	0.1%	
	ROA (Post tax)	0.6%	0.6% ●	0.0%	
Assets & Liabilities (RM'bil)	Gross Financing/Loans	42.6	42.9 ●	0.2	Financing experienced a 0.7% QoQ growth.
	Customer Deposits	47.0	45.7 ●	(1.3)	On-going initiative to reduce high-cost term deposits.
Capital & Liquidity	CET1	19.4%	19.8%	0.5%	The capital position remains strong and well above industry average.
	LCR	147.1%	156.0%	8.8%	LCR position remains strong and in line within the Group's balance sheet management strategy

MANAGEMENT GUIDANCE FY2025

FY2025 Performance Moving Towards FLIGHT26 Targets

	ACTUAL 1Q2025	ACTUAL 2Q2025	TARGETS FY25
ROE	3.6%	3.7%	5-6%
CIR	61.7%	58.1%	≤53%
NPM	2.1%	2.1%	2%
GIR (Excluding Ihsan-i)	4.4% Incl. Ihsan-i 5.5%	4.4% Incl. Ihsan-i 5.6%	4-5%
Gross Fin Growth	-0.7% Excl. write-off 4.0%	-0.2% Excl. write-off 1.7%	5-6%

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Rafe Haneef, GCEO

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Shahnaz Jammal, GCFO



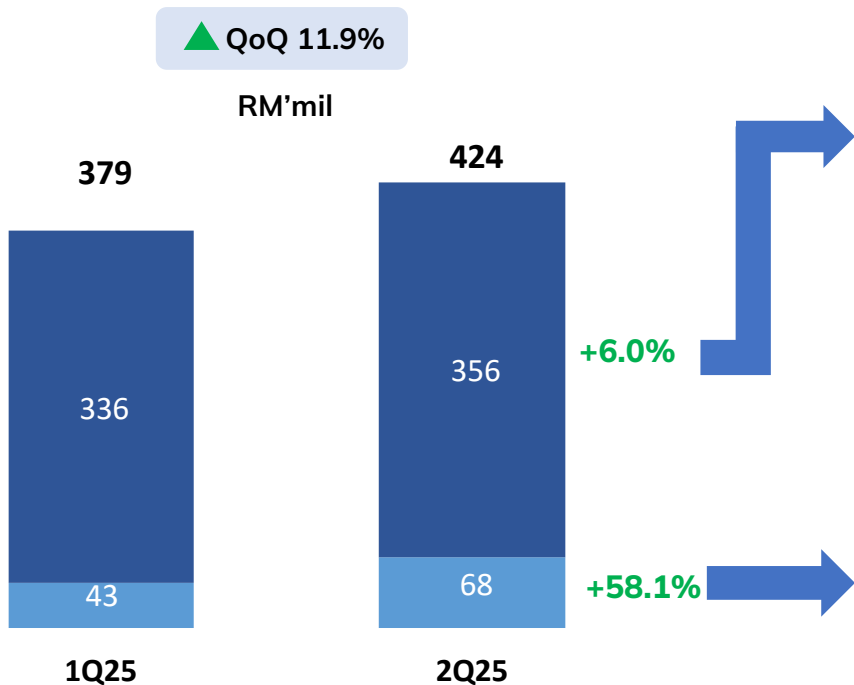
2Q2025 P&L SUMMARY

The Group recorded a higher Profit Before Tax (PBT) of RM133 million, representing a YoY increase of 40.0% and a QoQ growth of 13.7%

More details on	RM million	2Q2024	1Q2025	2Q2025	QoQ (%)	YoY (%)
	Net Funded Income	389	336	356	6.0%	(8.5%)
Slide "2Q2025 NET OPERATING INCOME"	Other Operating Income	47	43	68	58.1%	44.7%
	Net Operating Income	436	379	424	11.9%	(2.8%)
Slide "2Q2025 OVERHEAD EXPENSES"	Overhead Expenses	(242)	(234)	(233)	(0.4%)	(3.7%)
	Pre-provisioning Operating Profit	194	145	191	31.7%	(1.5%)
Slide "2Q2025 NET IMPAIRMENT LOSSES"	Net Impairment Losses	(99)	(28)	(58)	>100%	(41.4%)
	Profit before Taxation and Zakat	95	117	133	13.7%	40.0%
	Profit After Taxation and Zakat	55	85	96	12.9%	74.5%

2Q2025 NET OPERATING INCOME

Net Operating Income improved by 11.9% QoQ



■ Other Operating Income

■ Net Funded Income

Net Profit Margin (%)

■ QoQ 0bps

2.1%

2.1%

1Q25

2Q25

Gross Financing Growth (RM'bil)

▲ QoQ 0.7%

42.6

42.9

1Q25

2Q25

Other Operating Income (RM'mil)

▲ QoQ 58.1%

43

42

1Q25

■ Trading and FX/ revaluation

68

50

18

2Q25

■ Fees and others

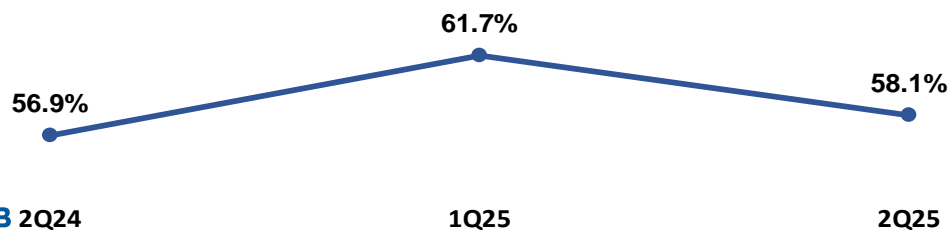
2Q2025 OVERHEAD EXPENSES

The CIR % improved to 58.1% in 2Q2025 from 61.7% in 1Q2025.

RM million	2Q2024	1Q2025	2Q2025	QoQ		YoY	
				Var (RM'mil)	Var (%)	Var (RM'mil)	Var (%)
Personnel expenses	130	157	156	(1)	(0.6%)	26	20.0%
Establishment related expenses	55	52	51	(1)	(1.9%)	(4)	(7.3%)
General administrative expenses	* 54	18	22	4	22.2%	(32)	(59.3%)
Promotion and marketing related expenses	3	7	4	(3)	(42.9%)	1	33.3%
TOTAL	242	234	233	(1)	(0.4%)	(9)	(3.7%)

* Inclusive of operational loss of RM24.2 mil

Cost to Income Ratio YTD (%)

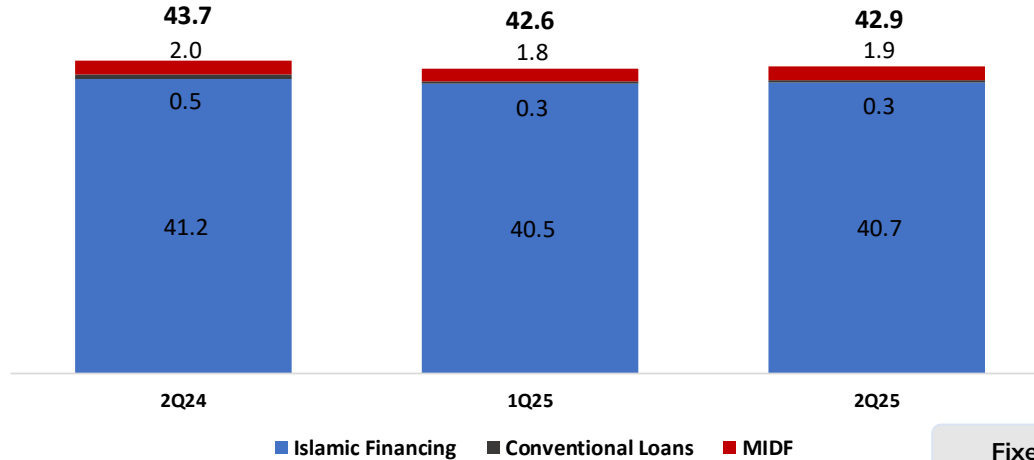


- **CIR** improved during the quarter to 58.1% driven by higher net income, and stable operating expenses from ongoing cost optimisation efforts.

GROSS LOANS AND FINANCING

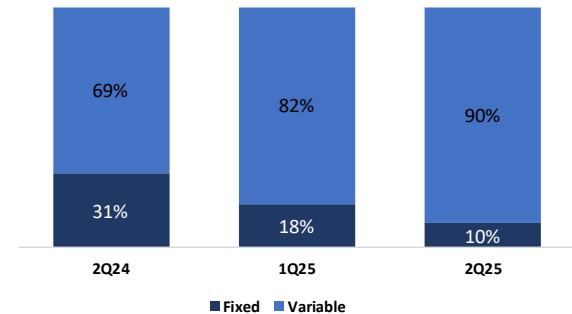
Financing Experienced +0.7% Growth QoQ

Gross Loans & Financing Composition (RM'bil)



Loans/Financing by busines segment (RM'bil)	1Q25	2Q25	QoQ GROWTH
Consumer Banking	29.1	28.9	-0.7%
Corporate Banking	8.1	8.1	0.0%
Commercial Banking	5.4	5.9	9.3%
TOTAL	42.6	42.9	0.7%

Fixed & Variable % Composition

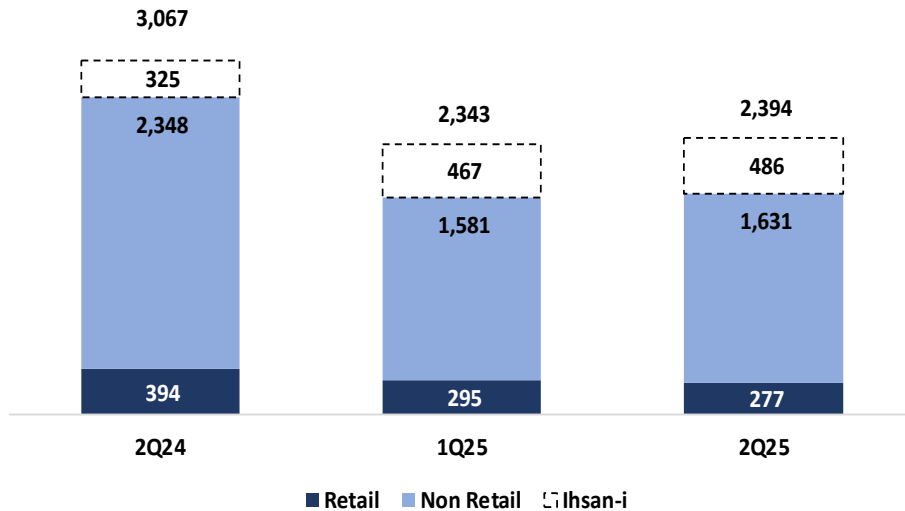


ASSET QUALITY

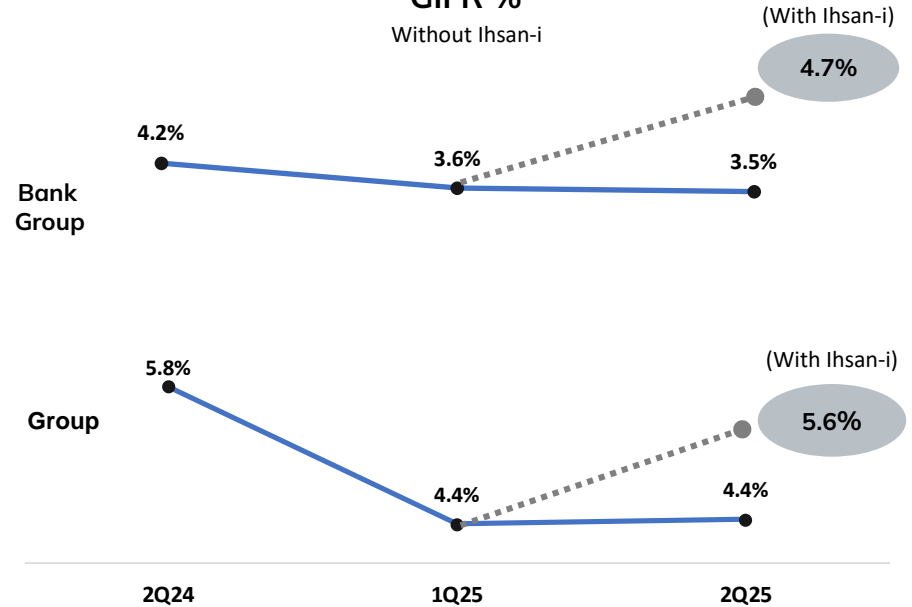
GIFR Improved to 4.4% in 2Q2025 from 5.8% in 2Q2024 (Excluding Ihsan-i)

Gross Impaired Loans/Financing

Gross Impaired Financing (RM'mil)



GIFR %

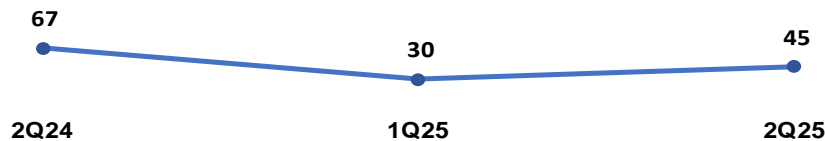


ASSET QUALITY (Cont'd)

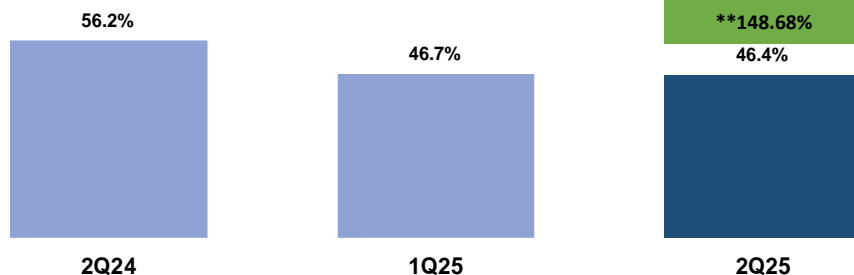
Loss Coverage and Credit Cost

RM million	2Q24	1Q25	2Q25	QoQ		YoY	
				Var (RM'mil)	Var (%)	Var (RM'mil)	Var (%)
Financing/Loans/Others (impairment)	(100)	(32)	(65)	(33)	>100%	35	(35.0%)
Financing/Loans (write-off)/recovered	1	4	7	3	75.0%	6	>100%
Net impairment (losses)/writeback	(99)	(28)	(58)	(30)	>100%	41	(41.4%)

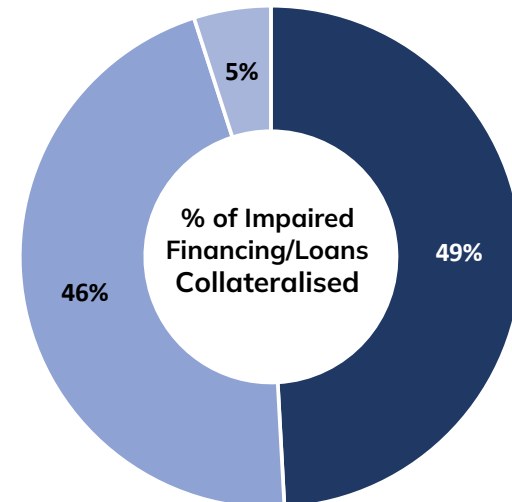
MBSB Group Credit Cost (bps)



Financing/Loan Loss Coverage Ratio (%)



**Excluding fully collateralised financing/loans and Ihsan-I financing



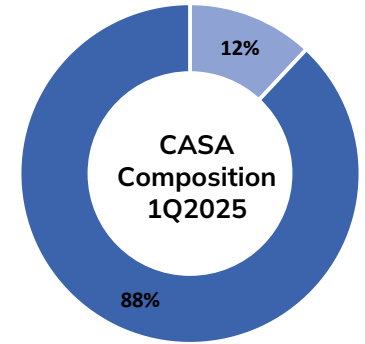
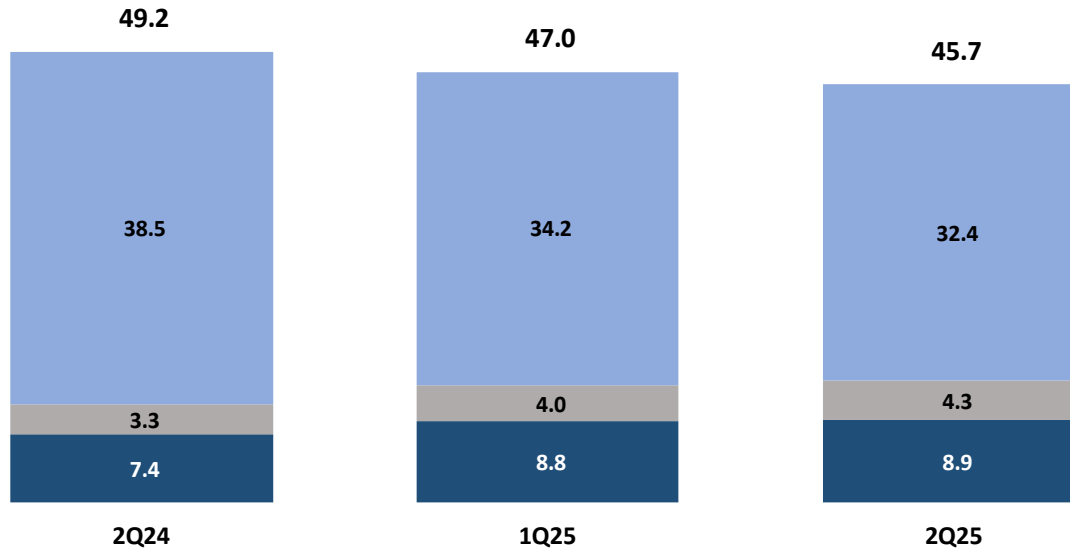
- Fully Collateralised
- Partially Collateralised
- Not Collateralised

DEPOSITS

Balance Sheet Optimisation Ongoing

Total Deposits (RM'bil)

▼ YoY 7.1%



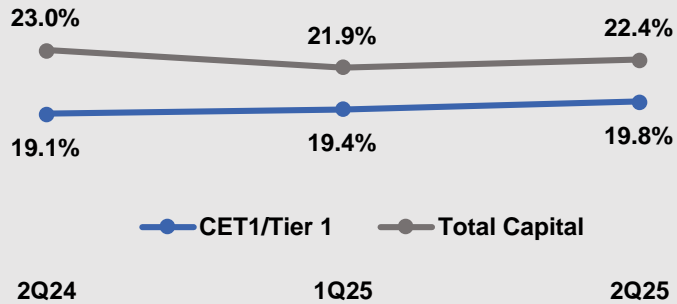
■ Retail ■ Corporate/Commercial

■ Consumer Banking ■ Commercial Banking ■ Wholesale Banking

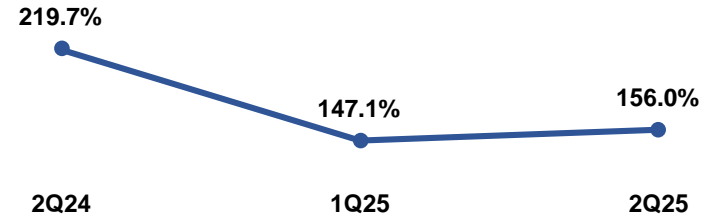
CAPITAL AND LIQUIDITY MANAGEMENT

Strong Capital and Liquidity Position

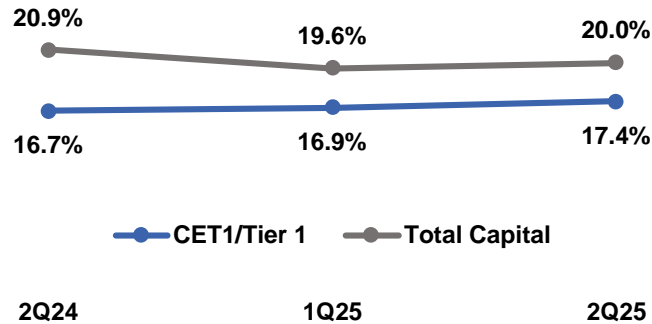
MBSB Group TCR



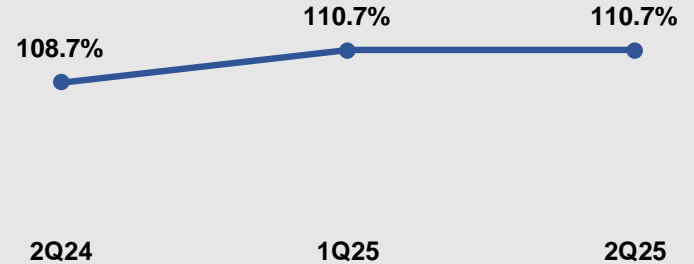
MBSB Group LCR



MBSB Bank Group TCR



MBSB Group NSFR



Q & A Session

Thank you