

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 30 June 2025



Consolidated Statements of Financial Position
As at 30 June 2025 - Unaudited

		Group		Bank	
	Note	30 June 2025 RM'000	31 December 2024 RM'000	30 June 2025 RM'000	31 December 2024 RM'000
Assets					
Cash and short-term funds	12	3,446,954	2,826,640	3,446,954	2,826,640
Deposits and placements with banks and other financial institutions		439	229,996	439	229,996
Reverse repurchase agreements		110,367	111,450	110,367	111,450
Financial securities measured at FVTPL	13	2,556,755	1,934,302	2,556,755	1,934,302
Financial securities measured at FVOCI	14	2,190,692	2,104,191	2,190,692	2,104,191
Loans, advances and financing	15	1,726,030	1,622,711	1,726,030	1,622,711
Derivative assets		1,446,595	1,262,824	1,446,595	1,262,824
Other assets	16	784,167	508,070	784,167	508,070
Statutory deposit with Bank Negara Malaysia		10,000	-	10,000	-
Investments in subsidiary companies		-	-	20	20
Property and equipment		5,779	6,329	5,779	6,329
Right-of-use assets		2,585	3,277	2,585	3,277
Deferred tax assets		-	7,486	-	7,486
Total assets		<u>12,280,363</u>	<u>10,617,276</u>	<u>12,280,383</u>	<u>10,617,296</u>
Liabilities and equity					
Deposits from customers	17	5,353,788	5,188,338	5,353,808	5,188,358
Deposits and placements of banks and other financial institutions	18	1,525,229	1,465,378	1,525,229	1,465,378
Lease liabilities		2,638	3,312	2,638	3,312
Derivative liabilities		1,586,874	1,183,297	1,586,874	1,183,297
Other liabilities	19	1,934,441	836,923	1,934,441	836,923
Tax payable		18,500	8,771	18,500	8,771
Deferred tax liability		532	-	532	-
Total liabilities		<u>10,422,002</u>	<u>8,686,019</u>	<u>10,422,022</u>	<u>8,686,039</u>
Equity					
Share capital		531,362	531,362	531,362	531,362
Reserves		1,326,999	1,399,895	1,326,999	1,399,895
Total equity attributable to owner of the Bank		<u>1,858,361</u>	<u>1,931,257</u>	<u>1,858,361</u>	<u>1,931,257</u>
Total liabilities and equity		<u>12,280,363</u>	<u>10,617,276</u>	<u>12,280,383</u>	<u>10,617,296</u>
Commitments and contingencies	27	<u>180,990,734</u>	<u>185,294,551</u>	<u>180,990,734</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 30 June 2025 - Unaudited

	Note	Group and Bank			
		Half-year ended	Half-year ended	Three months ended	Three months ended
		30 June 2025	30 June 2024	30 June 2025	30 June 2024
		RM'000	RM'000	RM'000	RM'000
Interest income	20	169,475	186,320	84,752	86,652
Interest expense	21	(54,853)	(73,659)	(29,384)	(36,717)
Net interest income		114,622	112,661	55,368	49,935
Net income from Islamic Banking					
Operations	29	2,634	2,451	1,416	1,264
Non-interest income	22	153,833	110,044	96,472	66,659
Operating income		271,089	225,156	153,256	117,858
Other operating expenses	23	(91,366)	(85,004)	(47,668)	(42,662)
Operating profit		179,723	140,152	105,588	75,196
Write-back of/(Allowance for) expected credit losses	24	2,203	72	1,261	(399)
Profit before tax		181,926	140,224	106,849	74,797
Tax expense		(44,013)	(34,403)	(25,683)	(18,028)
Net profit for the period		137,913	105,821	81,166	56,769
Other comprehensive income/(loss):					
<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		19,338	2,027	16,278	68
Net changes in ECL reserves		(567)	276	(554)	613
Income tax effect		(4,505)	(552)	(3,774)	(163)
Total other comprehensive income for the period		14,266	1,751	11,950	518
Total comprehensive income for the period		152,179	107,572	93,116	57,287
Earnings per share (sen)		79.4 sen	61.0 sen	46.8 sen	32.7 sen

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 30 June 2025

Group and Bank	← Attributable to owner of the Bank →					Total RM'000
	Share capital	Non-distributable Other reserves	ECL reserves	Distributable Retained earnings	Total reserves	
	RM'000	RM'000	RM'000	RM'000	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	-	14,697	(431)	137,913	152,179	152,179
Dividend declared	-	-	-	(225,075)	(225,075)	(225,075)
At 30 June 2025	531,362	73,946	201	1,252,852	1,326,999	1,858,361
At 1 January 2024	531,362	57,703	429	1,306,134	1,364,266	1,895,628
Total comprehensive income for the period	-	1,541	210	105,821	107,572	107,572
Dividend declared	-	-	-	(191,195)	(191,195)	(191,195)
At 30 June 2024	531,362	59,244	639	1,220,760	1,280,643	1,812,005

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 30 June 2025

	Group and Bank	
	30 June 2025 RM'000	30 June 2024 RM'000
Profit before tax	181,926	140,224
Adjustments for non-operating and non-cash items	182,559	76,215
Operating profit before working capital changes	364,485	216,439
Changes in working capital:		
Net changes in operating assets	(3,361,033)	4,412,628
Net changes in operating liabilities	3,418,759	(4,985,525)
Income tax paid	(30,771)	(32,407)
Net cash generated from/(used in) operations	391,440	(388,865)
Cash flows from investing activities:		
Dividend received	45	45
Purchase of property and equipment	-	(1,329)
Net cash generated from/(used in) investing activities	45	(1,284)
Cash flows from financing activities:		
Payment of lease liabilities	(732)	(503)
Net cash used in financing activities	(732)	(503)
Net increase/(decrease) in cash and cash equivalents	390,753	(390,652)
Cash and cash equivalents at beginning of the period	3,056,660	3,333,299
Cash and cash equivalents at end of the period	3,447,413	2,942,647
Analysis of cash and cash equivalents:		
Cash and short-term funds	3,447,413	2,942,647
Cash and cash equivalents at the end of the period	3,447,413	2,942,647

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 30 June 2025**

1. Basis of preparation

The unaudited interim financial statements for the financial period ended 30 June 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 MFRS Accounting Standards ("MFRS"), Amendments to MFRSs and IC Interpretation that have been issued by the MASB:

The following are financial reporting standards, amendments and interpretations that have been issued by the 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 30 June 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 30 June 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 30 June 2025.

7. Dividend Paid

No dividend was paid during the financial period ended 30 June 2025. The 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.

8. Material Events

Significant events subsequent to the reporting date are as disclosed in Note 28 to the financial statements of the Group and of the Bank. There were no material events subsequent to the reporting date that require 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 30 June 2025.

10. Review of Performance

The Bank recorded profit before tax for the financial period ended 30 June 2025 of RM181.9 million compared to RM140.2 million for the previous corresponding period. Operating income increased by RM45.9 million (+20.4%) from RM225.2 million to RM271.1 million, mainly attributed to higher non-interest income by RM43.8 million (+39.8%) to RM153.8 million against RM110.0 million in the previous corresponding period. Net interest income increased by RM2.0 million (+1.7%) from RM112.6 million to RM114.6 million.

Total assets registered an increase of RM1.7 billion (+15.7%) from RM10.6 billion as at 31 December 2024 to RM12.3 billion as at 30 June 2025. The Bank's total common equity tier 1 ratio and total capital ratio remained strong at 17.158% and 17.637%, respectively.

11. Prospects

As we move deeper into 2025, the global economy reflects a complex blend of resilience and structural transformation. While advancements in supply chain logistics and digitalization continue to support global trade, the broader macroeconomic environment is increasingly shaped by geopolitical tensions, evolving capital flow dynamics, and shifting trade alliances.

In the United States, economic momentum is challenged by internal pressures, including fiscal imbalances and trade policy uncertainties. These factors continue to create persistent headwinds for the U.S. dollar, as traditional interest rate differentials give way to capital flow considerations. Investor sentiment is shifting, with growing concerns surrounding the sustainability of U.S. economic dominance.

The Eurozone, by contrast, is showing signs of relative stability. Despite external pressures such as renewed trade frictions, the region benefits from a more unified policy approach and modest improvements in economic activity. The euro's resilience in currency markets highlights a broader rebalancing of global economic influence.

Malaysia's outlook is shaped by these global dynamics. The potential reinstatement of U.S. tariffs remains a key risk factor, with implications for Malaysia's export-driven sectors, particularly electronics and semiconductors. At the same time, the structural shift in global trade and currency dynamics may also present new opportunities for diversification and strategic repositioning. A notable trend is the deepening of ASEAN-China economic ties. As global supply chains recalibrate, Malaysia and its regional peers are increasingly aligning with China through trade, investment, and infrastructure collaboration. This diversification strategy not only mitigates exposure to Western trade frictions but also positions ASEAN as a central node in the evolving Asia-centric economic landscape.

Domestically, the phased expansion of the Sales and Service Tax ("SST") is a key policy development. While it broadens the tax base and supports fiscal consolidation, it also introduces new compliance requirements and cost challenges to businesses. Businesses are actively adjusting systems and pricing strategies to align with the new framework, which is expected to influence consumer behaviour and operational margins throughout the second half of the year.

12. Cash and cash equivalents

12.1 Cash and short-term funds

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Cash and balances with banks and other financial institutions	640,771	213,089
Money at call and deposit placements maturing within one month	2,806,203	2,613,571
	3,446,974	2,826,660
Expected credit losses on cash and cash equivalents		
• Stage 1 – 12-month ECL	(20)	(20)
	3,446,954	2,826,640

12.2 Deposits and placements with banks and other financial institutions

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Other financial institutions - cash and cash equivalents	439	230,000
Impairment allowances on cash and cash equivalents		
• Stage 1 – 12-month ECL	-	(4)
	439	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	1	-	-	1	(2)	-	-	(2)
New financial assets originated or purchased	4	-	-	4	8	-	-	8
Financial assets that have been derecognised	(9)	-	-	(9)	(6)	-	-	(6)
Balance at 30 June / 31 December	20	-	-	20	24	-	-	24

13. Financial securities measured at FVTPL

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Debt securities at FVTPL		
Malaysian Government Securities	1,530,856	1,387,203
Malaysian Islamic Treasury Bills	9,827	216,860
Malaysian Investment Issue	740,999	165,236
Cagamas bonds	275,073	165,003
	<u>2,556,755</u>	<u>1,934,302</u>

14. Financial securities measured at FVOCI

	Group and Bank	
	30 June 2025	31 December 2024
Debt securities at FVOCI		
Malaysian Government Securities	937,764	909,804
Malaysian Investment Issue	<u>1,236,823</u>	<u>1,178,282</u>
	2,174,587	2,088,086
 Equity investments at FVOCI		
Unquoted shares in Malaysia	<u>16,105</u>	<u>16,105</u>
	<u>2,190,692</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	(574)	-	-	(574)	25	-	-	25
New financial assets originated or purchased	7	-	-	7	304	-	-	304
Financial assets that have been derecognised	-	-	-	-	(62)	-	-	(62)
Balance at 30 June / 31 December	265	-	-	265	832	-	-	832

15. Loans, advances and financing

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
<i>At amortised cost</i>		
Overdrafts	118,332	62,172
Term loans - Housing loans	2,280	2,644
- Other term loans	1,106,117	982,326
Bill receivable	-	2,314
Trust receipts	59,932	62,991
Claims on customers under acceptance credits	441,030	513,557
Gross loans, advances and financing	1,727,691	1,626,004
Expected credit losses	(1,661)	(3,293)
Net loans, advances and financing	1,726,030	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	1,123	(1,093)	(30)	-	103	(25)	(78)	-
Transfer to lifetime ECL not credit- impaired	(1)	1	-	-	(2)	2	-	-
Transfer to lifetime ECL credit- impaired	(10)	-	10	-	(74)	-	74	-
Net remeasurement of expected credit losses	(1,096)	5	(122)	(1,213)	(378)	(3)	(457)	(838)
New financial assets originated or purchased	235	24	20	279	254	1,535	-	1,789
Financial assets that have been derecognised	(261)	(437)	-	(698)	(707)	(159)	-	(866)
Balance at 30 June / 31 December*	1,008	42	611	1,661	1,018	1,542	733	3,293

* The loss allowance in this table includes ECL on loan commitments and financial guarantees of RM1,007,000 (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	
	30 June 2025 RM'000	31 December 2024 RM'000
Maturing within one year	1,690,400	1,566,404
More than one year and three years	36,489	58,508
More than three years to five years	245	448
Over five years	557	644
	<u>1,727,691</u>	<u>1,626,004</u>

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

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Domestic non-bank financial institutions	223,592	282,205
Domestic business enterprises	1,332,036	1,047,453
Individuals	2,280	2,644
Government and statutory bodies	169,783	291,388
Foreign entities	-	2,314
	<u>1,727,691</u>	<u>1,626,004</u>

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

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Fixed rate		
- Other fixed rate loan/financing	17,145	17,146
Variable rate		
- Base lending rate plus	34,093	18,086
- Cost plus	1,616,175	1,527,384
- Other variable rates	60,278	63,388
	<u>1,727,691</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	
	30 June 2025 RM'000	31 December 2024 RM'000
Malaysia	1,727,691	1,623,690
Bangladesh	-	2,314
	<u>1,727,691</u>	<u>1,626,004</u>

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

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Manufacturing	720,512	415,787
Construction	57,733	57,348
Wholesale & retail trade and restaurants & hotels	418,582	428,911
Transport, storage and communication	94,888	105,228
Finance, insurance and business services	254,281	284,616
Education, health and others	169,783	291,388
Household	2,280	2,644
Primary agriculture	9,632	40,082
	<u>1,727,691</u>	<u>1,626,004</u>

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

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Balance at 1 January	1,576	1,979
Classified as impaired during the period/year	62	196
Reclassified as non-impaired during the period/year	(110)	(291)
Amounts recovered	(94)	(308)
At 30 June 2025/31 December 2024	<u>1,434</u>	<u>1,576</u>
Gross impaired loans as a percentage of gross loans, advances and financing	<u>0.08%</u>	<u>0.10%</u>

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

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Household (Malaysia)	<u>1,434</u>	<u>1,576</u>

16. Other assets

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Interest/Income receivable	52,172	42,440
Margin placed with futures exchange	35,382	37,351
Collateral deposits placed with counterparty financial institutions	295,759	141,749
Securities receivable	333,091	115,808
Amount due from intercompanies	27,651	34,602
Other debtors, deposits and prepayments	40,112	136,120
	<u>784,167</u>	<u>508,070</u>

17. Deposits from customers

	Group		Bank	
	30 June 2025 RM'000	31 December 2024 RM'000	30 June 2025 RM'000	31 December 2024 RM'000
Demand deposits	4,494,491	4,590,625	4,494,511	4,590,645
Fixed deposits	576,449	352,681	576,449	352,681
Other deposits	282,848	245,032	282,848	245,032
	<u>5,353,788</u>	<u>5,188,338</u>	<u>5,353,808</u>	<u>5,188,358</u>

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

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Due within six months	850,126	372,681
More than six months to one year	9,171	225,032
	<u>859,297</u>	<u>597,713</u>

The deposits are sourced from the following types of customers:

	Group		Bank	
	30 June 2025 RM'000	31 December 2024 RM'000	30 June 2025 RM'000	31 December 2024 RM'000
Business enterprises	4,529,960	4,450,858	4,529,980	4,450,878
Foreign customers	91,111	79,871	91,111	79,871
Domestic non-bank financial institutions	732,717	657,609	732,717	657,609
	<u>5,353,788</u>	<u>5,188,338</u>	<u>5,353,808</u>	<u>5,188,358</u>

18. Deposits and placements of banks and other financial institutions

	Group and Bank	
	30 June	31 December
	2025	2024
	RM'000	RM'000
Licensed banks	-	179,460
Other financial institutions	1,525,229	1,285,918
	<u>1,525,229</u>	<u>1,465,378</u>

19. Other liabilities

	Group and Bank	
	30 June	31 December
	2025	2024
	RM'000	RM'000
Interest payable	4,623	3,597
Bills payable	1,831	2,372
Employee benefits	20,969	29,483
Collateral deposits received from counterparties	575,837	476,961
Regulated short-selling activities	71,357	24,399
Securities payable	521,925	149,717
Amount due to intercompanies	39,898	40,354
Dividend payable	225,075	-
Other liabilities	472,926	110,040
	<u>1,934,441</u>	<u>836,923</u>

20. Interest income

	Group and Bank			
	Half-year ended		Three months ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing	41,919	56,850	22,571	27,317
Money at call and deposit placements with financial institutions	38,321	33,414	19,318	17,072
Reverse repurchase agreements	2,766	8,015	784	4,083
Financial securities				
- measured at FVTPL	49,346	53,530	23,198	20,370
- measured at FVOCI	36,504	33,968	18,476	17,527
Others	619	543	405	283
	<u>169,475</u>	<u>186,320</u>	<u>84,752</u>	<u>86,652</u>
Interest on credit-impaired assets included in interest income of loans, advances and financing	<u>18</u>	<u>31</u>	<u>2</u>	<u>15</u>

21. Interest expense

	Group and Bank			
	Half-year ended		Three months ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	17,620	22,256	9,774	10,248
Deposits from customers	36,403	51,377	19,346	26,465
Repurchase agreements	710	16	175	-
Interest expense on lease liabilities	58	7	27	2
Other interest expense	62	3	62	2
	<u>54,853</u>	<u>73,659</u>	<u>29,384</u>	<u>36,717</u>

22. Non-interest income

	Group and Bank			
	Half-year ended		Three months ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RM'000	RM'000	RM'000	RM'000
Fee income:				
Commissions	3,529	3,440	2,834	1,810
Service charges and fees	7,522	8,014	3,013	3,914
Guarantee fees	2,358	2,994	1,403	1,462
	<u>13,409</u>	<u>14,448</u>	<u>7,250</u>	<u>7,186</u>
Fee expense:				
Commissions	(2,291)	(2,161)	(1,046)	(1,092)
Service charges and fees	(1,892)	(2,071)	(959)	(1,075)
	<u>(4,183)</u>	<u>(4,232)</u>	<u>(2,005)</u>	<u>(2,167)</u>
Net fee income	<u>9,226</u>	<u>10,216</u>	<u>5,245</u>	<u>5,019</u>
Net gains/(losses) from financial instruments:				
Net gain/(loss) arising on financial securities:				
Realised gains/(loss)	14,188	(6,807)	13,727	(2,515)
Unrealised gains/(loss)	11,622	(14,341)	10,811	(2,153)
Net gain/(loss) arising on trading derivatives:				
Realised gain	80,732	17,039	71,289	83,721
Unrealised loss	(195,129)	(60,326)	(250,332)	(161,308)
Foreign exchange gain	227,050	154,677	241,097	136,870
Gross dividend income	45	45	45	45
Other income:				
Other operating income, net				
Intercompany income	6,236	9,058	4,565	6,984
Others	(137)	483	25	(4)
	<u>144,607</u>	<u>99,828</u>	<u>91,227</u>	<u>61,640</u>
	<u>153,833</u>	<u>110,044</u>	<u>96,472</u>	<u>66,659</u>

23. Other operating expenses

	Group and Bank			
	Half-year ended		Three months ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Personnel costs:				
Salaries, allowances and bonuses	27,508	24,519	13,933	12,350
Others	7,269	6,204	4,253	2,909
Establishment costs:				
Rental	223	295	112	211
Depreciation - property and equipment	551	1,700	(248)	830
Depreciation - right-of-use assets	692	440	346	180
Others	5,103	4,530	2,832	1,818
Marketing expenses	856	961	325	428
Administration and general expenses:				
Intercompany charges	45,117	43,481	23,983	22,137
Communication	217	243	(46)	155
Others	3,830	2,631	2,178	1,644
	<u>91,366</u>	<u>85,004</u>	<u>47,668</u>	<u>42,662</u>

The number of employees of the Group and the Bank at the end of the period was 218 (June 2024: 208).

24. Write-back of/(Allowance for) expected credit losses

	Group and Bank			
	Half-year ended		Three months ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Write-back of/(Allowance for) expected credit losses				
- loans, advances and financing	1,632	342	701	217
- cash and cash equivalents	4	6	6	(3)
- debt securities at FVOCI	567	(276)	554	(613)
	<u>2,203</u>	<u>72</u>	<u>1,261</u>	<u>(399)</u>

25. Credit transactions and exposures with connected parties

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Outstanding credit exposures with connected parties	426,179	354,251
Of which:		
Total credit exposures which is non-performing	-	-
Total credit exposures	11,356,396	10,758,031
Percentage of outstanding credit exposures to connected parties		
- as a proportion of total credit exposures	3.75%	3.29%
- as a proportion of capital base	24.99%	18.46%
- which is non-performing	0%	0%

26. Capital adequacy

	Group and Bank	
	30 June 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	28,946	14,249
Retained earnings #	1,114,939	1,340,014
Less: Deferred tax assets	-	(7,486)
Less: Cumulative gains of FVOCI	(15,920)	(7,837)
Total common equity tier 1/Total tier 1 capital	1,659,327	1,870,302
Tier 2 capital		
Expected credit losses ("ECL")*	1,335	3,416
Regulatory reserve	45,000	45,000
Total capital base	1,705,662	1,918,718
Common equity tier 1/Tier 1 capital ratio	17.158%	23.737%
Total capital ratio	17.637%	24.351%

Retained earnings after dividend declared and before the final dividend declared for 30 June 2025 and 31 December 2024 respectively

* Refers to ECL for Stage 1 and Stage 2.

26. 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	
	30 June 2025 RM'000	31 December 2024 RM'000
1. Credit risk	4,862,291	4,708,991
2. Market risk	2,731,710	2,329,060
3. Operational risk	2,076,710	841,326
Total	9,670,711	7,879,377

27. 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 30 June 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	733,495	366,748	337,648
Short-term self liquidating trade related contingencies	83,094	16,619	16,482
<u>Commitments</u>			
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	490,056	245,028	245,028
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	3,925,616	785,123	785,123
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	18,407,924	453,061	350,156
Over one year to five years	629,241	39,771	39,771
Over five years	-	-	-
Interest/profit rate related contracts			
One year or less	190,000	1,106	1,106
Over one year to five years	203,663	5,337	4,671
Over five years	-	-	-
OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements			
- Foreign exchange related contracts	73,460,345	1,130,300	277,974
- Interest/profit rate related contracts	82,867,300	683,419	213,346
Total	180,990,734	3,726,512	2,271,305

27. 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

28. Significant Events

Material Litigation

1Malaysia Development Berhad and Deutsche Bank (Malaysia) Berhad

On 7.5.2021, 1Malaysia Development Berhad ("1MDB") commenced proceedings by way of writ of summons and statement of claim for the payment of the sum of USD1,110,000,000 or such other sum the Court may order. 1MDB is also seeking interest on the sums that may be ordered by the Court.

1MDB alleges that between 30.9.2009 to 27.5.2011, DBMB had performed 3 foreign exchange transactions totalling USD1,110,000,000 ("Transactions") in breach of contract and/or negligence and/or under a dishonest assistance in favour of various individuals not acting in the interest of 1MDB. At a hearing on 11.7.2025, the Court declined DBMB's application for summary dismissal on time-bar grounds, ruling that the issue requires a full trial which is currently scheduled for January 2026.

DBMB is of the view that DBMB has a good legal position to defend against 1MDB's claims and has filed its Defence on 8.9.2021.

The proceedings by 1MDB will not have any impact on the operation of DBMB.

29. The operations of Islamic Banking

Statement of Financial Position As at 30 June 2025 – Unaudited

		Group and Bank	
	Note	30 June 2025 RM'000	31 December 2024 RM'000
Assets			
Cash and short-term funds	(a)	274,976	344,630
Other assets		22	28
Total assets		<u>274,998</u>	<u>344,658</u>
Liabilities and Islamic Banking funds			
Deposits from customers	(b)	235,713	306,515
Other liabilities	(c)	3,654	245
Tax payable		604	1,148
Total liabilities		<u>239,971</u>	<u>307,908</u>
Capital funds		25,000	25,000
Reserves		10,027	11,750
Islamic Banking funds		<u>35,027</u>	<u>36,750</u>
Total liabilities and Islamic Banking funds		<u>274,998</u>	<u>344,658</u>
Commitments and contingencies		<u>-</u>	<u>-</u>

29. The operations of Islamic Banking (continued)

Statement Of Profit or Loss and Other Comprehensive Income
For The Financial Period Ended 30 June 2025 - Unaudited

	Note	Group and Bank			
		Half-year ended 30 June 2025 RM'000	Half-year ended 30 June 2024 RM'000	Three months ended 30 June 2025 RM'000	Three months ended 30 June 2024 RM'000
Income derived from investment of Islamic funds	(d)	2,634	2,451	1,416	1,264
Total net income		2,634	2,451	1,416	1,264
Other operating expenses		(120)	(121)	(60)	(62)
Operating profit		2,514	2,330	1,356	1,202
Write-back of expected credit losses		1	-	1	-
Profit before tax		2,515	2,330	1,357	1,202
Tax expense		(604)	(559)	(326)	(288)
Profit for the period		1,911	1,771	1,031	914
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		1,911	1,771	1,031	914

29. The operations of Islamic Banking (continued)

Statement Of Changes In Islamic Banking Funds
For The Financial Period Ended 30 June 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	-	-	1,911	1,911
Dividend declared	-	-	(3,634)	(3,634)
At 30 June 2025	25,000	-	10,027	35,027
At 1 January 2024	25,000	-	11,632	36,632
Total comprehensive income for the period	-	-	1,771	1,771
Dividend declared	-	-	(3,516)	(3,516)
At 30 June 2024	25,000	-	9,887	34,887

29. The operations of Islamic Banking (continued)

Statement Of Cash Flows

For The Financial Period Ended 30 June 2025

	Group and Bank	
	30 June 2025 RM'000	30 June 2024 RM'000
Cash flows from operating activities		
Profit before taxation	2,515	2,330
Adjustments for non-operating and non-cash items	(1)	-
Operating profit before working capital changes	2,514	2,330
Changes in working capital:		
Net changes in operating assets	7	(14)
Net changes in operating liabilities	(71,027)	50,417
Income taxes paid	(1,148)	(1,110)
Net cash (used in)/generated from operations	(69,654)	51,623
Net (decrease)/increase in cash and cash equivalents	(69,654)	51,623
Cash and cash equivalents at beginning of period	344,630	216,147
Cash and cash equivalents at end of period	274,976	267,770
Analysis of cash and cash equivalents:		
Cash and short-term funds	274,976	267,770

29. 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	
	30 June 2025 RM'000	31 December 2024 RM'000
Cash and balances with banks and other financial institutions	<u>274,976</u>	<u>344,630</u>

(b) Deposits from customers

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Demand deposits	<u>235,713</u>	<u>306,515</u>

29. The operations of Islamic Banking (continued)

(c) Other liabilities

	Group and Bank	
	30 June 2025 RM'000	31 December 2024 RM'000
Bills payable	6	231
Dividend payable	3,634	-
Other liabilities	14	14
	<u>3,654</u>	<u>245</u>

(d) Income derived from investment of Islamic banking funds

	Group and Bank			
	Half-year ended		Three months ended	
	30 June 2025 RM'000	30 June 2024 RM'000	30 June 2025 RM'000	30 June 2024 RM'000
Deposits or placement with BNM	3,267	3,206	1,730	1,671
Hibah on Qard Islamic Current Account	(654)	(794)	(324)	(426)
Other income	21	39	10	19
	<u>2,634</u>	<u>2,451</u>	<u>1,416</u>	<u>1,264</u>

29. The operations of Islamic Banking (continued)

(e) 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	
	30 June	31 December
	2025	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 [#]	8,116	11,750
Total common equity tier 1/Total tier 1 capital	33,116	36,750
Total Tier 2 capital	-	-
Total capital base	33,116	36,750
Common equity tier 1/Tier 1 capital ratio	462.159%	453.480%
Total capital ratio	462.159%	453.480%

[#] Retained earnings after dividend declared and before the final dividend declared for 30 June 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	
	30 June	31 December
	2025	2024
	RM'000	RM'000
1. Credit risk	-	-
2. Market risk	-	-
3. Operational risk	7,166	8,104
Total	7,166	8,104