PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)

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PILLAR 3 DISCLOSURE
As at 30 June 2026

1. Overview

The information of Public Bank Group ("the Group") below is disclosed pursuant to the requirements of the Bank Negara Malaysia ("BNM")'s Risk-Weighted Capital Adequacy Framework (Basel II) ("RWCAF") - Disclosure Requirements (Pillar 3). Certain information relating to Public Bank Berhad ("the Bank") is presented on a voluntary basis to provide additional information to users.

Minimum Regulatory Capital Requirements

The following tables present the minimum regulatory capital requirements to support the Group's and the Bank's risk-weighted assets:

	30 June 2026		31 December 2025	
	Risk-Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000	Risk-Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
Group				
Credit Risk	344,138,002	27,531,040	333,000,365	26,640,029
Market Risk	7,771,966	621,757	7,580,753	606,460
Operational Risk	28,072,606	2,245,808	27,438,111	2,195,049
Large Exposure Risk	729,630	58,370	696,114	55,689
Total	**380,712,204**	**30,456,975**	368,715,343	29,497,227
Bank				
Credit Risk	267,556,563	21,404,525	258,384,171	20,670,734
Market Risk	4,714,240	377,139	4,614,408	369,153
Operational Risk	20,780,974	1,662,478	20,374,940	1,629,995
Large Exposure Risk	703,810	56,305	672,209	53,777
Total	**293,755,587**	**23,500,447**	284,045,728	22,723,659

2. Capital Management

Capital Adequacy Ratios and Capital Structure

(a) Capital Adequacy Ratios

Tables (i)-(ii) present the capital adequacy ratios for the following:
(i) the Group and the Bank
(ii) the banking subsidiary companies of the Bank

(i) Capital Adequacy Ratios of the Group and of the Bank

	Group		Bank	
	30 June 2026	**31 December 2025**	**30 June 2026**	**31 December 2025**
Before deducting dividends*:				
Common Equity Tier I ("CET I") capital ratio	**14.399%**	14.526%	**12.594%**	12.860%
Tier I capital ratio	**14.413%**	14.540%	**12.594%**	12.860%
Total capital ratio	**17.067%**	17.242%	**15.434%**	15.756%
After deducting dividends*:				
CET I capital ratio	**13.864%**	13.894%	**11.900%**	12.040%
Tier I capital ratio	**13.878%**	13.909%	**11.900%**	12.040%
Total capital ratio	**16.532%**	16.611%	**14.740%**	14.936%

* Refer to dividends declared subsequent to the financial period/year end.

The capital adequacy ratios of the Group consist of total capital and risk-weighted assets derived from consolidated balances of the Bank and its subsidiary companies. The capital adequacy ratios of the Bank consist of total capital and risk-weighted assets derived from the Bank and from its wholly-owned offshore banking subsidiary company, Public Bank (L) Ltd.

The total risk-weighted assets of the Group and of the Bank are computed based on Standardised Approach for Credit Risk, Market Risk and Operational Risk.

Regulatory capital requirements

The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's CAF on Capital Components, Basel II - Risk-Weighted Assets, Operational Risk and Exposures to Central Counterparties.

The minimum regulatory capital adequacy ratios before including capital conservation buffer ("CCB"), countercyclical capital buffer ("CCyB") and higher loss absorbency ("HLA") requirement for CET I capital ratio, Tier I capital ratio and total capital ratio are 4.5%, 6.0% and 8.0% respectively.

Banking institutions are also required to maintain a CCB of 2.5% and a CCyB above the minimum regulatory capital adequacy ratios. A CCyB is required to be maintained if this buffer is applied by regulators in countries which the Group and the Bank have exposures to, determined based on the weighted average of prevailing CCyB rates applied in those jurisdictions. The Group and the Bank have applied CCyB on their private sector credit exposures outside Malaysia in line with the respective jurisdictions' requirement to maintain their CCyB. The CCyB is not a requirement for exposures in Malaysia yet but may be applied by regulators in the future.

HLA requirement is applicable to financial institutions designated as domestic systemically important banks ("D-SIBs"). Arising from this, the Group which is designated as a D-SIB by BNM is required to maintain an additional capital buffer of 0.5% to the regulatory capital requirements in line with the BNM's D-SIB Framework.

2. Capital Management (Cont'd.)

Capital Adequacy Ratios and Capital Structure (Cont'd.)

(a) Capital Adequacy Ratios (Cont'd.)

(ii) Capital Adequacy Ratios of the Banking Subsidiary Companies of the Bank

	Public Islamic Bank Berhad[1]	Public Investment Bank Berhad[2]	Public Bank (L) Ltd.[3]	Public Bank (Hong Kong) Limited[4]	Public Finance Limited[4]	Cambodian Public Bank Plc[5]	Public Bank Vietnam Limited[6]
30 June 2026							
Before deducting dividends*:							
CET I capital ratio	**13.628%**	**27.101%**	**25.061%**	**24.999%**	**35.807%**	**40.436%**	**N/A**
Tier I capital ratio	**13.628%**	**27.101%**	**25.061%**	**24.999%**	**35.807%**	**40.436%**	**N/A**
Total capital ratio	**16.363%**	**27.654%**	**25.119%**	**25.848%**	**36.978%**	**41.037%**	**19.442%**
After deducting dividends*:							
CET I capital ratio	**13.068%**	**27.101%**	**25.061%**	**24.408%**	**32.965%**	**40.436%**	**N/A**
Tier I capital ratio	**13.068%**	**27.101%**	**25.061%**	**24.408%**	**32.965%**	**40.436%**	**N/A**
Total capital ratio	**15.802%**	**27.654%**	**25.119%**	**25.257%**	**34.137%**	**41.037%**	**19.442%**
31 December 2025							
Before deducting dividends*:							
CET I capital ratio	13.549%	31.096%	25.239%	25.923%	36.284%	37.432%	N/A
Tier I capital ratio	13.549%	31.096%	25.239%	25.923%	36.284%	37.432%	N/A
Total capital ratio	16.331%	31.725%	25.415%	26.788%	37.452%	38.017%	18.343%
After deducting dividends*:							
CET I capital ratio	13.549%	28.623%	25.239%	25.691%	35.826%	37.432%	N/A
Tier I capital ratio	13.549%	28.623%	25.239%	25.691%	35.826%	37.432%	N/A
Total capital ratio	16.331%	29.251%	25.415%	26.556%	36.994%	38.017%	18.343%

* Refer to dividends declared subsequent to the financial period/year end.

2. Capital Management (Cont'd.)

Capital Adequacy Ratios and Capital Structure (Cont'd.)

(a) Capital Adequacy Ratios (Cont'd.)

(ii) Capital Adequacy Ratios of the Banking Subsidiary Companies of the Bank (Cont'd.)

[1] The risk-weighted assets of Public Islamic Bank Berhad ("PIBB") are computed based on Standardised Approach for Credit, Market and Operational Risk. The capital adequacy ratios are computed in accordance with BNM's CAF for Islamic Banks which cover Capital Components, Risk-Weighted Assets, Operational Risk and Exposures to Central Counterparties. The minimum regulatory capital adequacy requirements before including CCB and CCyB for CET I capital ratio, Tier I capital ratio and total capital ratio are 4.5%, 6.0% and 8.0% respectively. PIBB is required to maintain a CCB of 2.5% and a CCyB if this buffer is applied by regulators in countries which PIBB has exposures to.

[2] The risk-weighted assets of Public Investment Bank Berhad ("PIVB") are computed based on Standardised Approach for Credit, Market and Operational Risk. The capital adequacy ratios are computed in accordance with BNM's CAF which cover Capital Components, Risk-Weighted Assets, Operational Risk and Exposures to Central Counterparties. The minimum regulatory capital adequacy requirements before including CCB and CCyB for CET I capital ratio, Tier I capital ratio and total capital ratio are 4.5%, 6.0% and 8.0% respectively. PIVB is required to maintain a CCB of 2.5% and a CCyB if this buffer is applied by regulators in countries which PIVB has exposures to.

[3] The risk-weighted assets of Public Bank (L) Ltd are computed based on the Standardised Approach for Credit and Market Risk and the Basic Indicator Approach for Operational Risk. The capital adequacy ratios are computed in accordance with the Banking Capital Adequacy Framework - Guidelines on Capital Components and Risk Weighted Assets issued by the Labuan Financial Services Authority. The minimum regulatory capital adequacy requirements for CET I capital ratio, Tier I capital ratio and total capital ratio are 4.5%, 6.0% and 8.0% respectively.

[4] These two (2) subsidiary companies have adopted the Standardised Approach for Credit, Market and Operational Risk. The capital adequacy ratios of these two subsidiary companies are computed in accordance with the provisions of the Banking Ordinance relating to Basel III capital standards and the Banking (Capital) Rules. These two subsidiaries are required to maintain a CCB of 2.5% and a CCyB of 0.5% as imposed by Hong Kong Monetary Authority to their private sector exposures in Hong Kong.

[5] The capital adequacy ratios of Cambodian Public Bank Plc ("Campu Bank") are computed in accordance with its local regulatory requirements. The minimum regulatory capital adequacy requirements for CET I capital ratio, Tier I capital ratio and total capital ratio are 8.0%, 11.0% and 15.0% respectively. Campu Bank is required to maintain a CCB of 2.5% (2025: 1.25%) as imposed by the National Bank of Cambodia.

[6] The ratio presented here is the capital adequacy ratio of Public Bank Vietnam Limited ("PBVN") and is computed in accordance with its local regulatory requirements. The ratio is derived as PBVN's capital divided by its risk-weighted assets for credit, market and operational risk. The minimum regulatory capital adequacy ratio requirement is 8.0%.

2. Capital Management (Cont'd.)

Capital Adequacy Ratios and Capital Structure (Cont'd.)

(b) Capital Structure

The following tables present the capital structure of the Group and of the Bank.

	Group		Bank	
	30 June 2026	**31 December 2025**	**30 June 2026**	**31 December 2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
CET I/Tier I capital				
Share capital	**9,417,653**	9,417,653	**9,417,653**	9,417,653
Other reserves	**1,058,344**	1,121,167	**580,795**	634,668
Retained profits	**47,838,001**	46,987,026	**36,701,350**	36,208,896
Treasury shares	**-**	(434,752)	**-**	-
Qualifying non-controlling interests	**553,877**	551,163	**-**	-
Less: Goodwill and other intangible assets	**(2,913,249)**	(2,933,098)	**(695,393)**	(695,393)
Less: Deferred tax assets, net	**(412,770)**	(426,913)	**(240,346)**	(270,095)
Less: Defined benefit pension fund assets	**(77,486)**	(75,991)	**(76,024)**	(74,912)
Less: Investment in banking/insurance subsidiary companies and associated companies deducted from CET I capital	**(646,193)**	(647,697)	**(8,693,261)**	(8,693,261)
Total CET I capital	**54,818,177**	53,558,558	**36,994,774**	36,527,556
Qualifying CET I and additional Tier I capital instruments held by third parties	**55,544**	54,372	**-**	-
Total Tier I capital	**54,873,721**	53,612,930	**36,994,774**	36,527,556
Tier II capital				
Stage 1 and Stage 2 expected credit loss allowances	**2,730,163**	2,797,243	**1,837,398**	1,929,306
Qualifying regulatory reserves[#]	**1,571,562**	1,365,262	**1,507,059**	1,300,496
Subordinated notes	**4,962,936**	4,962,502	**4,997,936**	4,997,502
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	**706,747**	706,544	**-**	-
Others	**130,982**	130,982	**-**	-
Total Tier II capital	**10,102,390**	9,962,533	**8,342,393**	8,227,304
Total capital	**64,976,111**	63,575,463	**45,337,167**	44,754,860

[#] Excludes regulatory reserves restricted from Tier II capital of the Group and of the Bank of RM935,041,000 (2025: RM892,011,000) and RM501,573,000 (2025: RM494,155,000) respectively.

In arriving at the total capital of the Group and of the Bank above, the dividends declared subsequent to the financial period/year end were not deducted.

3. Credit Risk

Minimum Regulatory Capital Requirements for Credit Risk

The following tables present the minimum regulatory capital requirements for credit risk of the Group and of the Bank.

Group Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures after Credit Risk Mitigation RM'000	Risk-Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
30 June 2026				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	**71,295,393**	**71,295,393**	**372,648**	**29,812**
Public Sector Entities	**1,512,490**	**1,512,490**	**57,809**	**4,625**
Banks, Development Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	**20,076,963**	**20,076,963**	**5,852,537**	**468,203**
Insurance Companies, Securities Firms and Fund Managers	**1,113,722**	**1,024,689**	**956,049**	**76,484**
Corporates	**101,919,615**	**98,311,151**	**78,350,053**	**6,268,004**
Regulatory Retail	**184,252,344**	**182,584,316**	**139,138,414**	**11,131,073**
Residential Mortgages	**180,582,856**	**180,171,123**	**82,383,358**	**6,590,669**
Higher Risk Assets	**122,460**	**122,009**	**183,014**	**14,641**
Other Assets	**7,945,348**	**7,945,348**	**4,714,614**	**377,169**
Equity Exposures	**901,414**	**901,414**	**901,414**	**72,113**
Defaulted Exposures	**3,058,908**	**3,057,537**	**4,004,036**	**320,323**
	572,781,513	**567,002,433**	**316,913,946**	**25,353,116**
Off-Balance Sheet Exposures				
Credit-related Exposures	**32,762,243**	**31,817,061**	**26,552,906**	**2,124,232**
Derivative Financial Instruments	**1,698,512**	**1,698,512**	**543,506**	**43,480**
Other Treasury-related Exposures	**829,986**	**829,986**	**114,669**	**9,174**
Defaulted Exposures	**10,018**	**10,018**	**12,975**	**1,038**
	35,300,759	**34,355,577**	**27,224,056**	**2,177,924**
Total Credit Exposures	**608,082,272**	**601,358,010**	**344,138,002**	**27,531,040**

3. Credit Risk (Cont'd.)

Minimum Regulatory Capital Requirements for Credit Risk (Cont'd.)

Group Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures after Credit Risk Mitigation RM'000	Risk-Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
31 December 2025				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	68,904,774	68,904,774	441,017	35,281
Public Sector Entities	1,543,585	1,543,585	63,979	5,118
Banks, DFIs and MDBs	16,975,949	16,975,949	5,081,812	406,545
Insurance Companies, Securities Firms and Fund Managers	710,955	567,316	502,097	40,168
Corporates	96,128,398	92,118,191	73,506,181	5,880,494
Regulatory Retail	180,076,872	178,512,006	136,083,361	10,886,669
Residential Mortgages	176,148,844	175,740,162	80,028,439	6,402,275
Higher Risk Assets	132,899	132,446	198,669	15,894
Other Assets	9,299,697	9,299,697	4,691,831	375,346
Equity Exposures	868,232	868,232	868,232	69,459
Defaulted Exposures	3,223,640	3,223,002	4,294,276	343,542
	554,013,845	547,885,360	305,759,894	24,460,791
Off-Balance Sheet Exposures				
Credit-related Exposures	33,124,089	32,297,506	26,866,372	2,149,310
Derivative Financial Instruments	996,798	996,798	320,526	25,642
Other Treasury-related Exposures	562,878	562,878	42,650	3,412
Defaulted Exposures	8,255	8,255	10,923	874
	34,692,020	33,865,437	27,240,471	2,179,238
Total Credit Exposures	588,705,865	581,750,797	333,000,365	26,640,029

3. Credit Risk (Cont'd.)

Minimum Regulatory Capital Requirements for Credit Risk (Cont'd.)

Bank Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures after Credit Risk Mitigation RM'000	Risk-Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
30 June 2026				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	**50,071,969**	**50,071,969**	**58,114**	**4,649**
Public Sector Entities	**124,425**	**124,425**	**3,636**	**291**
Banks, DFIs and MDBs	**12,301,224**	**12,301,224**	**4,429,873**	**354,390**
Insurance Companies, Securities Firms and Fund Managers	**104,475**	**103,991**	**103,603**	**8,288**
Corporates	**78,215,604**	**75,256,558**	**59,711,865**	**4,776,949**
Regulatory Retail	**141,055,886**	**139,716,537**	**105,751,910**	**8,460,153**
Residential Mortgages	**132,981,927**	**132,662,846**	**60,066,371**	**4,805,310**
Higher Risk Assets	**105,688**	**105,285**	**157,927**	**12,634**
Other Assets	**6,829,832**	**6,829,832**	**4,491,836**	**359,347**
Equity Exposures	**7,916,349**	**7,916,349**	**7,916,349**	**633,308**
Defaulted Exposures	**1,913,968**	**1,912,673**	**2,521,499**	**201,720**
	431,621,347	**427,001,689**	**245,212,983**	**19,617,039**
Off-Balance Sheet Exposures				
Credit-related Exposures	**26,884,490**	**26,093,573**	**21,676,796**	**1,734,144**
Derivative Financial Instruments	**1,746,128**	**1,746,128**	**549,111**	**43,929**
Other Treasury-related Exposures	**803,667**	**803,667**	**108,493**	**8,679**
Defaulted Exposures	**7,166**	**7,166**	**9,180**	**734**
	29,441,451	**28,650,534**	**22,343,580**	**1,787,486**
Total Credit Exposures	**461,062,798**	**455,652,223**	**267,556,563**	**21,404,525**

3. Credit Risk (Cont'd.)

Minimum Regulatory Capital Requirements for Credit Risk (Cont'd.)

Bank Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures after Credit Risk Mitigation RM'000	Risk-Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
31 December 2025				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	46,675,735	46,675,735	56,579	4,526
Public Sector Entities	124,507	124,507	3,649	292
Banks, DFIs and MDBs	9,910,771	9,910,771	3,688,086	295,047
Insurance Companies, Securities Firms and Fund Managers	92,342	91,862	91,281	7,303
Corporates	73,548,829	70,206,714	55,669,153	4,453,532
Regulatory Retail	137,441,198	136,221,079	103,099,062	8,247,925
Residential Mortgages	129,852,979	129,535,343	58,383,778	4,670,702
Higher Risk Assets	115,170	114,765	172,148	13,772
Other Assets	7,679,550	7,679,550	4,467,365	357,389
Equity Exposures	7,772,266	7,772,266	7,772,266	621,781
Defaulted Exposures	2,163,373	2,162,858	2,898,659	231,893
	415,376,720	410,495,450	236,302,026	18,904,162
Off-Balance Sheet Exposures				
Credit-related Exposures	27,072,677	26,287,140	21,705,506	1,736,441
Derivative Financial Instruments	1,066,145	1,066,145	326,583	26,127
Other Treasury-related Exposures	271,012	271,012	42,650	3,412
Defaulted Exposures	5,602	5,602	7,406	592
	28,415,436	27,629,899	22,082,145	1,766,572
Total Credit Exposures	443,792,156	438,125,349	258,384,171	20,670,734

3. Credit Risk (Cont'd.)

3.1 Distribution of Credit Exposures

Tables (a)-(c) present the analyses of credit exposures of financial assets before the effect of credit risk mitigation of the Group as follows:
(a) Industry analysis
(b) Geographical analysis based on the geographical location where the credit risk resides
(c) Maturity analysis based on the residual contractual maturity

For on-balance sheet exposures, the maximum exposure to credit risk equals their carrying amounts. For financial guarantees, the maximum exposure to credit risk is the full amount that the Group would have to pay if the obligations for which the instruments issued are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit granted to customers.

(a) Industry Analysis

Group	Government & Central Banks RM'000	Financial Services RM'000	Transport & Business Services RM'000	Agriculture, Manufacturing, Wholesale & Retail Trade RM'000	Construction & Real Estate RM'000	Residential Mortgages RM'000	Motor Vehicle Financing RM'000	Other Consumer Loans RM'000	Total RM'000
30 June 2026									
On-Balance Sheet Exposures									
Cash and balances with banks (Gross)	**2,300,853**	**17,795,531**	**-**	**-**	**-**	**-**	**-**	**-**	**20,096,384**
Reverse repurchase agreements	**3,399**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,399**
Financial assets at fair value through profit or loss*	**1,892,064**	**651,905**	**10,152**	**20,224**	**15,148**	**-**	**-**	**-**	**2,589,493**
Derivative financial assets	**-**	**932,844**	**-**	**-**	**-**	**-**	**-**	**-**	**932,844**
Financial investments at fair value through other comprehensive income*	**45,706,217**	**4,291,242**	**404,838**	**1,242,446**	**115,133**	**-**	**-**	**-**	**51,759,876**
Financial investments at amortised cost (Gross)	**18,592,095**	**11,789,203**	**35,182**	**1,306,640**	**328,195**	**-**	**-**	**-**	**32,051,315**
Gross loans, advances and financing	**1,037,417**	**20,534,242**	**12,995,655**	**59,362,156**	**44,222,020**	**195,564,096**	**72,296,283**	**52,932,941**	**458,944,810**
Statutory deposits with Central Banks	**4,531,305**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,531,305**
	74,063,350	**55,994,967**	**13,445,827**	**61,931,466**	**44,680,496**	**195,564,096**	**72,296,283**	**52,932,941**	**570,909,426**
Commitments and Contingencies									
Contingent liabilities	**3,583**	**17,955**	**2,360,850**	**1,547,548**	**2,486,640**	**-**	**-**	**137,835**	**6,554,411**
Commitments	**152,417**	**1,606,033**	**5,167,531**	**18,236,705**	**12,311,573**	**20,291,010**	**19,664**	**24,113,251**	**81,898,184**
	156,000	**1,623,988**	**7,528,381**	**19,784,253**	**14,798,213**	**20,291,010**	**19,664**	**24,251,086**	**88,452,595**
Total Credit Exposures	**74,219,350**	**57,618,955**	**20,974,208**	**81,715,719**	**59,478,709**	**215,855,106**	**72,315,947**	**77,184,027**	**659,362,021**

3. Credit Risk (Cont'd.)

3.1 Distribution of Credit Exposures (Cont'd.)

(a) Industry Analysis (Cont'd.)

Group	Government & Central Banks RM'000	Financial Services RM'000	Transport & Business Services RM'000	Agriculture, Manufacturing, Wholesale & Retail Trade RM'000	Construction & Real Estate RM'000	Residential Mortgages RM'000	Motor Vehicle Financing RM'000	Other Consumer Loans RM'000	Total RM'000
31 December 2025									
On-Balance Sheet Exposures									
Cash and balances with banks (Gross)	2,530,082	14,299,651	-	-	-	-	-	-	16,829,733
Reverse repurchase agreements	1,642	-	-	-	-	-	-	-	1,642
Financial assets at fair value through profit or loss*	1,090,367	1,292,924	10,219	20,337	15,279	-	-	-	2,429,126
Derivative financial assets	-	224,574	-	-	-	-	-	-	224,574
Financial investments at fair value through other comprehensive income*	43,361,105	4,917,591	249,835	1,004,672	116,145	-	-	-	49,649,348
Financial investments at amortised cost (Gross)	18,633,880	11,227,969	5,000	656,072	303,166	-	-	-	30,826,087
Gross loans, advances and financing	1,036,194	20,248,090	11,848,822	56,886,680	41,984,290	191,681,096	69,929,373	52,143,533	445,758,078
Statutory deposits with Central Banks	4,441,274	-	-	-	-	-	-	-	4,441,274
	71,094,544	52,210,799	12,113,876	58,567,761	42,418,880	191,681,096	69,929,373	52,143,533	550,159,862
Commitments and Contingencies									
Contingent liabilities	5,531	17,880	2,395,212	1,438,122	2,427,230	-	-	73,059	6,357,034
Commitments	303,047	1,659,164	5,380,111	17,333,764	11,894,376	21,797,078	17,070	23,280,722	81,665,332
	308,578	1,677,044	7,775,323	18,771,886	14,321,606	21,797,078	17,070	23,353,781	88,022,366
Total Credit Exposures	71,403,122	53,887,843	19,889,199	77,339,647	56,740,486	213,478,174	69,946,443	75,497,314	638,182,228

* Excluding equity securities and unit trusts which do not have any credit risk.

3. Credit Risk (Cont'd.)

3.1 Distribution of Credit Exposures (Cont'd.)

(b) Geographical Analysis

Group	Malaysia RM'000	Hong Kong & China RM'000	Cambodia RM'000	Other Countries RM'000	Total RM'000
30 June 2026					
On-Balance Sheet Exposures					
Cash and balances with banks (Gross)	**3,803,529**	**3,917,695**	**4,498,591**	**7,876,569**	**20,096,384**
Reverse repurchase agreements	**-**	**-**	**-**	**3,399**	**3,399**
Financial assets at fair value through profit or loss*	**2,589,493**	**-**	**-**	**-**	**2,589,493**
Derivative financial assets	**890,191**	**6,344**	**-**	**36,309**	**932,844**
Financial investments at fair value through other comprehensive income*	**49,186,245**	**1,891,047**	**-**	**682,584**	**51,759,876**
Financial investments at amortised cost (Gross)	**29,894,102**	**880,631**	**42,962**	**1,233,620**	**32,051,315**
Gross loans, advances and financing	**432,176,193**	**13,784,322**	**5,563,157**	**7,421,138**	**458,944,810**
Statutory deposits with Central Banks	**3,935,499**	**1,049**	**510,775**	**83,982**	**4,531,305**
	522,475,252	**20,481,088**	**10,615,485**	**17,337,601**	**570,909,426**
Commitments and Contingencies					
Contingent liabilities	**5,606,140**	**199,931**	**125,738**	**622,602**	**6,554,411**
Commitments	**76,795,912**	**1,012,852**	**901,264**	**3,188,156**	**81,898,184**
	82,402,052	**1,212,783**	**1,027,002**	**3,810,758**	**88,452,595**
Total Credit Exposures	**604,877,304**	**21,693,871**	**11,642,487**	**21,148,359**	**659,362,021**
31 December 2025					
On-Balance Sheet Exposures					
Cash and balances with banks (Gross)	8,317,015	3,494,039	1,417,610	3,601,069	16,829,733
Reverse repurchase agreements	-	-	-	1,642	1,642
Financial assets at fair value through profit or loss*	2,429,126	-	-	-	2,429,126
Derivative financial assets	129,499	10,480	-	84,595	224,574
Financial investments at fair value through other comprehensive income*	46,943,896	2,079,596	-	625,856	49,649,348
Financial investments at amortised cost (Gross)	28,900,352	742,012	84,367	1,099,356	30,826,087
Gross loans, advances and financing	418,740,148	13,411,313	5,762,157	7,844,460	445,758,078
Statutory deposits with Central Banks	3,773,469	1,177	527,646	138,982	4,441,274
	509,233,505	19,738,617	7,791,780	13,395,960	550,159,862
Commitments and Contingencies					
Contingent liabilities	5,575,751	288,880	31,055	461,348	6,357,034
Commitments	72,038,026	1,138,898	867,048	7,621,360	81,665,332
	77,613,777	1,427,778	898,103	8,082,708	88,022,366
Total Credit Exposures	586,847,282	21,166,395	8,689,883	21,478,668	638,182,228

* Excluding equity securities and unit trusts which do not have any credit risk.

3. Credit Risk (Cont'd.)

3.1 Distribution of Credit Exposures (Cont'd.)

(c) Maturity Analysis

Group	Up to 1 Year RM'000	>1 to 3 Years RM'000	>3 to 5 Years RM'000	>5 Years RM'000	Total RM'000
30 June 2026					
On-Balance Sheet Exposures					
Cash and balances with banks (Gross)	**20,096,384**	**-**	**-**	**-**	**20,096,384**
Reverse repurchase agreements	**3,399**	**-**	**-**	**-**	**3,399**
Financial assets at fair value through profit or loss*	**1,405,262**	**645,941**	**236,442**	**301,848**	**2,589,493**
Derivative financial assets	**900,900**	**4,426**	**27,518**	**-**	**932,844**
Financial investments at fair value through other comprehensive income*	**4,649,670**	**14,667,275**	**21,183,121**	**11,259,810**	**51,759,876**
Financial investments at amortised cost (Gross)	**7,504,433**	**12,854,152**	**8,412,851**	**3,279,879**	**32,051,315**
Gross loans, advances and financing	**35,735,881**	**30,273,171**	**39,901,026**	**353,034,732**	**458,944,810**
Statutory deposits with Central Banks	**-**	**-**	**-**	**4,531,305**	**4,531,305**
Total On-Balance Sheet Exposures	**70,295,929**	**58,444,965**	**69,760,958**	**372,407,574**	**570,909,426**
31 December 2025					
On-Balance Sheet Exposures					
Cash and balances with banks (Gross)	16,829,733	-	-	-	16,829,733
Reverse repurchase agreements	1,642	-	-	-	1,642
Financial assets at fair value through profit or loss*	1,476,933	581,125	192,543	178,525	2,429,126
Derivative financial assets	182,078	31,622	10,104	770	224,574
Financial investments at fair value through other comprehensive income*	10,437,514	15,119,053	14,506,026	9,586,755	49,649,348
Financial investments at amortised cost (Gross)	6,014,921	14,797,462	6,820,264	3,193,440	30,826,087
Gross loans, advances and financing	35,075,782	29,518,189	38,085,253	343,078,854	445,758,078
Statutory deposits with Central Banks	-	-	-	4,441,274	4,441,274
Total On-Balance Sheet Exposures	70,018,603	60,047,451	59,614,190	360,479,618	550,159,862

* Excluding equity securities and unit trusts which do not have any credit risk.

Approximately 12% (31 December 2025: 13%) of the Group's exposures to customers and counterparties are short-term, having contractual maturity of one year or less. About 77% (31 December 2025: 77%) of the Group's gross loans, advances and financing has residual maturity of more than five (5) years. The longer maturity is from the housing loans/financing and hire purchase which made up 59% (31 December 2025: 60%) of the portfolio and are traditionally longer term in nature and well secured.

The residual contractual maturity for off-balance sheet exposures is not presented as the total off-balance sheet exposures do not represent future cash requirements since the Group expects many of these commitments (such as direct credit substitutes) to expire without being called or drawn upon, whereas many of the contingent liabilities (such as letters of credit) are reimbursable by customers.

3. Credit Risk (Cont'd.)

3.2 Off-Balance Sheet Exposures

Composition of Off-Balance Sheet Exposures

The following tables present the composition of off-balance sheet exposures of the Group and of the Bank. All derivative financial instruments are at their notional amounts.

Group	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk-Weighted Assets RM'000
30 June 2026				
Contingent Liabilities				
Direct credit substitutes	**1,499,862**		**1,499,862**	**980,086**
Transaction-related contingent items	**4,771,487**		**2,385,744**	**1,456,037**
Short-term self-liquidating trade-related contingencies	**283,062**		**56,612**	**53,281**
	6,554,411		**3,942,218**	**2,489,404**
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	**41,740,296**		**20,869,686**	**17,533,923**
- not exceeding one year	**27,362,124**		**5,472,425**	**4,675,685**
Unutilised credit card lines	**12,439,659**		**2,487,932**	**1,866,869**
Forward asset purchases	**356,105**		**356,105**	**42,183**
	81,898,184		**29,186,148**	**24,118,660**
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	**473,881**		**473,881**	**72,486**
Derivative Financial Instruments				
Foreign exchange related contracts:				
- up to one year	**49,997,319**	**876,508**	**1,454,933**	**458,037**
Interest rate related contracts:				
- up to one year	**2,609,600**	**24,392**	**30,091**	**7,640**
- more than one year to five years	**3,413,513**	**25,771**	**118,974**	**46,918**
- more than five years	**1,422,044**	**6,173**	**94,478**	**30,875**
Commodity related contracts:				
- up to one year	**3,638**	**-**	**36**	**36**
	57,446,114	**932,844**	**1,698,512**	**543,506**
Total Off-Balance Sheet Exposures	**146,372,590**	**932,844**	**35,300,759**	**27,224,056**

3. Credit Risk (Cont'd.)

3.2 Off-Balance Sheet Exposures (Cont'd.)

Composition of Off-Balance Sheet Exposures (Cont'd.)

Group	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk-Weighted Assets RM'000
31 December 2025				
Contingent Liabilities				
Direct credit substitutes	1,275,603		1,275,603	853,677
Transaction-related contingent items	4,714,234		2,357,117	1,503,520
Short-term self-liquidating trade-related contingencies	367,197		73,439	69,066
	6,357,034		3,706,159	2,426,263
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	43,880,091		21,939,628	18,361,022
- not exceeding one year	25,816,561		5,163,312	4,347,576
Unutilised credit card lines	11,616,224		2,323,245	1,742,434
Forward asset purchases	352,456		352,456	11,444
	81,665,332		29,778,641	24,462,476
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	210,422		210,422	31,206
Derivative Financial Instruments				
Foreign exchange related contracts:				
- up to one year	43,461,964	180,073	753,853	245,122
Interest rate related contracts:				
- up to one year	810,915	1,995	3,630	871
- more than one year to five years	5,271,853	36,240	161,509	47,765
- more than five years	1,111,894	6,256	77,750	26,712
Commodity related contracts:				
- up to one year	4,561	10	56	56
	50,661,187	224,574	996,798	320,526
Total Off-Balance Sheet Exposures	138,893,975	224,574	34,692,020	27,240,471

3. Credit Risk (Cont'd.)

3.2 Off-Balance Sheet Exposures (Cont'd.)

Composition of Off-Balance Sheet Exposures (Cont'd.)

Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk-Weighted Assets RM'000
30 June 2026				
Bank (excluding Public Bank (L) Ltd.)				
Contingent Liabilities				
Direct credit substitutes	**843,634**		**843,634**	**444,588**
Transaction-related contingent items	**4,079,433**		**2,039,717**	**1,329,195**
Short-term self-liquidating trade-related contingencies	**75,913**		**15,183**	**13,796**
	4,998,980		**2,898,534**	**1,787,579**
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	**34,666,574**		**17,333,002**	**14,489,850**
- not exceeding one year	**21,589,064**		**4,317,813**	**3,644,066**
Unutilised credit card lines	**11,574,931**		**2,314,986**	**1,737,160**
Forward asset purchases	**356,105**		**356,105**	**42,183**
	68,186,674		**24,321,906**	**19,913,259**
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	**447,562**		**447,562**	**66,310**
Derivative Financial Instruments				
Foreign exchange related contracts:				
- up to one year	**49,005,949**	**870,631**	**1,445,602**	**452,253**
Interest rate related contracts:				
- up to one year	**4,009,600**	**27,182**	**35,031**	**8,628**
- more than one year to five years	**5,029,113**	**24,202**	**166,097**	**54,875**
- more than five years	**1,175,000**	**-**	**70,500**	**18,888**
Commodity related contracts:				
- up to one year	**3,638**	**-**	**36**	**36**
	59,223,300	**922,015**	**1,717,266**	**534,680**
Total	**132,856,516**	**922,015**	**29,385,268**	**22,301,828**

3. Credit Risk (Cont'd.)

3.2 Off-Balance Sheet Exposures (Cont'd.)

Composition of Off-Balance Sheet Exposures (Cont'd.)

Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk-Weighted Assets RM'000
30 June 2026				
Public Bank (L) Ltd.				
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	**54,582**		**27,292**	**27,292**
- not exceeding one year	**147**		**29**	**29**
	54,729		**27,321**	**27,321**
Derivative Financial Instruments				
Interest rate related contracts:				
- more than one year to five years	**122,400**	**2,436**	**4,884**	**2,444**
- more than five years	**247,044**	**6,173**	**23,978**	**11,987**
	369,444	**8,609**	**28,862**	**14,431**
Total	**424,173**	**8,609**	**56,183**	**41,752**
Total Off-Balance Sheet Exposures of the Bank and Public Bank (L) Ltd.	**133,280,689**	**930,624**	**29,441,451**	**22,343,580**

3. Credit Risk (Cont'd.)

3.2 Off-Balance Sheet Exposures (Cont'd.)

Composition of Off-Balance Sheet Exposures (Cont'd.)

Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk-Weighted Assets RM'000
31 December 2025				
Bank (excluding Public Bank (L) Ltd.)				
Contingent Liabilities				
Direct credit substitutes	863,555		863,555	457,896
Transaction-related contingent items	4,028,212		2,014,106	1,370,072
Short-term self-liquidating trade-related contingencies	83,848		16,770	15,585
	4,975,615		2,894,431	1,843,553
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	35,693,023		17,846,246	14,740,353
- not exceeding one year	20,694,123		4,138,824	3,470,806
Unutilised credit card lines	10,811,566		2,162,313	1,621,735
Forward asset purchases	72,414		72,414	11,444
	67,271,126		24,219,797	19,844,338
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	198,598		198,598	31,206
Derivative Financial Instruments				
Foreign exchange related contracts:				
- up to one year	42,159,007	173,196	743,404	235,220
Interest rate related contracts:				
- up to one year	2,150,000	3,264	7,589	1,518
- more than one year to five years	7,388,023	44,197	233,551	61,180
- more than five years	866,000	770	52,730	14,202
Commodity related contracts:				
- up to one year	4,561	10	56	56
	52,567,591	221,437	1,037,330	312,176
Total	125,012,930	221,437	28,350,156	22,031,273

3. Credit Risk (Cont'd.)

3.2 Off-Balance Sheet Exposures (Cont'd.)

Composition of Off-Balance Sheet Exposures (Cont'd.)

Bank	Principal Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk-Weighted Assets RM'000
31 December 2025				
Public Bank (L) Ltd.				
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	72,765		36,383	36,383
- not exceeding one year	410		82	82
	73,175		36,465	36,465
Derivative Financial Instruments				
Interest rate related contracts:				
- up to one year	60,915	423	483	241
- more than one year to five years	121,830	877	3,312	1,656
- more than five years	245,894	5,486	25,020	12,510
	428,639	6,786	28,815	14,407
Total	501,814	6,786	65,280	50,872
Total Off-Balance Sheet Exposures of the Bank and Public Bank (L) Ltd.	125,514,744	228,223	28,415,436	22,082,145

3. Credit Risk (Cont'd.)

3.3 Credit Risk Mitigation

Credit Risk Mitigation Analysis

The following tables present the credit risk mitigation analysis of the Group i.e. credit exposures covered by eligible financial collateral and financial guarantees as defined under the Standardised Approach. Eligible financial collateral consists primarily of cash, securities from listed exchange, unit trust or marketable securities. The Group does not have any credit exposure which is reduced through the application of other eligible collateral.

Group Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures Covered by Guarantees RM'000	Total Exposures Covered by Eligible Financial Collateral RM'000	Total Exposures Covered by Other Eligible Collateral RM'000
30 June 2026				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	**71,295,393**	**-**	**-**	**-**
Public Sector Entities	**1,512,490**	**1,223,444**	**-**	**-**
Banks, DFIs and MDBs	**20,076,963**	**16,332**	**-**	**-**
Insurance Companies, Securities Firms and Fund Managers	**1,113,722**	**15,929**	**89,033**	**-**
Corporates	**101,919,615**	**3,112,699**	**3,608,464**	**-**
Regulatory Retail	**184,252,344**	**436,476**	**1,668,028**	**-**
Residential Mortgages	**180,582,856**	**-**	**411,733**	**-**
Higher Risk Assets	**122,460**	**-**	**451**	**-**
Other Assets	**7,945,348**	**-**	**-**	**-**
Equity Exposures	**901,414**	**-**	**-**	**-**
Defaulted Exposures	**3,058,908**	**-**	**1,371**	**-**
	572,781,513	**4,804,880**	**5,779,080**	**-**
Off-Balance Sheet Exposures				
Credit-related Exposures	**32,762,243**	**167,553**	**945,182**	**-**
Derivative Financial Instruments	**1,698,512**	**-**	**-**	**-**
Other Treasury-related Exposures	**829,986**	**-**	**-**	**-**
Defaulted Exposures	**10,018**	**-**	**-**	**-**
	35,300,759	**167,553**	**945,182**	**-**
Total Credit Exposures	**608,082,272**	**4,972,433**	**6,724,262**	**-**

3. Credit Risk (Cont'd.)

3.3 Credit Risk Mitigation (Cont'd.)

Credit Risk Mitigation Analysis (Cont'd.)

Group Exposure Class	Total Exposures before Credit Risk Mitigation RM'000	Total Exposures Covered by Guarantees RM'000	Total Exposures Covered by Eligible Financial Collateral RM'000	Total Exposures Covered by Other Eligible Collateral RM'000
31 December 2025				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	68,904,774	-	-	-
Public Sector Entities	1,543,585	1,223,690	-	-
Banks, DFIs and MDBs	16,975,949	16,580	-	-
Insurance Companies, Securities Firms and Fund Managers	710,955	8,350	143,639	-
Corporates	96,128,398	3,354,406	4,010,207	-
Regulatory Retail	180,076,872	508,005	1,564,866	-
Residential Mortgages	176,148,844	-	408,682	-
Higher Risk Assets	132,899	-	453	-
Other Assets	9,299,697	-	-	-
Equity Exposures	868,232	-	-	-
Defaulted Exposures	3,223,640	-	638	-
	554,013,845	5,111,031	6,128,485	-
Off-Balance Sheet Exposures				
Credit-related Exposures	33,124,089	172,875	826,583	-
Derivative Financial Instruments	996,798	-	-	-
Other Treasury-related Exposures	562,878	-	-	-
Defaulted Exposures	8,255	-	-	-
	34,692,020	172,875	826,583	-
Total Credit Exposures	588,705,865	5,283,906	6,955,068	-

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach

Under the Standardised Approach, the Group makes use of credit ratings assigned by credit rating agencies in its calculation of credit risk-weighted assets. The following is a summary of the rules governing the assignment of risk weights under the Standardised Approach. Each rated exposure must be assigned to one of the six (6) credit quality rating categories defined in the table below:

Rating Category	Standard & Poor's	Moody's Investors Service	Fitch Ratings	RAM Rating Services Berhad	Malaysian Rating Corporation Berhad
1	AAA to AA-	Aaa to Aa3	AAA to AA-	AAA to AA3	AAA to AA-
2	A+ to A-	A1 to A3	A+ to A-	A1 to A3	A+ to A-
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	BBB1 to BBB3	BBB+ to BBB-
4	BB+ to BB-	Ba1 to Ba3	BB+ to BB-	BB1 to BB3	BB+ to BB-
5	B+ to B-	B1 to B3	B+ to B-	B1 to B3	B+ to B-
6	CCC+ and below	Caa1 and below	CCC+ and below	C1 and below	C+ and below

The Group uses a system to automatically execute the selection of ratings and allocation of risk weights. The following table is a summarised risk weight mapping matrix for each credit quality rating category:

	Risk Weights Based on Credit Rating of the Counterparty Exposure Class			
			Banking Institutions	
Rating Category	Sovereigns and Central Banks	Corporates	For Exposure Greater Than Six (6) Months Original Maturity	For Exposure Less Than Six (6) Months Original Maturity
1	0%	20%	20%	20%
2	20%	50%	50%	20%
3	50%	100%	50%	20%
4	100%	100%	100%	50%
5	100%	150%	100%	50%
6	150%	150%	150%	150%

In addition to the above, credit exposures under the counterparty exposure class of Banking Institutions, with an original maturity of three (3) months or less which are denominated and funded in Ringgit Malaysia, are all risk-weighted at 20% regardless of credit rating.

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures before the Effect of Credit Risk Mitigation by Credit Quality Rating Categories

The following tables present the credit exposures of the Group before the effect of credit risk mitigation by credit quality rating categories.

	Rating Categories							
Group	**1**	**2**	**3**	**4**	**5**	**6**	**Unrated**	**Total**
Exposure Class	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
30 June 2026								
On-Balance Sheet Exposures								
(a) Rated Exposures								
(i) Exposures risk-weighted using ratings of Corporates								
- Corporates	**23,898,510**	**565,654**	**60,021**	**-**	**-**	**-**		**24,524,185**
- Regulatory Retail	**59,133**	**-**	**-**	**-**	**-**	**-**		**59,133**
- Insurance Companies, Securities Firms and Fund Managers	**167**	**-**	**-**	**-**	**-**	**-**		**167**
	23,957,810	**565,654**	**60,021**	**-**	**-**	**-**		**24,583,485**
(ii) Exposures risk-weighted using ratings of Sovereigns and Central Banks[#]								
- Sovereigns and Central Banks	**1,348,516**	**68,467,327**	**-**	**300,333**	**973,533**	**205,685**		**71,295,394**
- Public Sector Entities	**-**	**1,492,140**	**-**	**-**	**-**	**-**		**1,492,140**
- Banks, DFIs and MDBs	**-**	**16,335**	**-**	**-**	**-**	**-**		**16,335**
- Insurance Companies, Securities Firms and Fund Managers	**-**	**255**	**-**	**-**	**-**	**-**		**255**
- Corporates	**-**	**623,884**	**-**	**-**	**-**	**-**		**623,884**
- Regulatory Retail	**-**	**373,768**	**-**	**-**	**-**	**-**		**373,768**
	1,348,516	**70,973,709**	**-**	**300,333**	**973,533**	**205,685**		**73,801,776**
(iii) Exposures risk-weighted using ratings of Banking Institutions								
- Banks, DFIs and MDBs	**8,680,670**	**7,700,353**	**390,028**	**1,184,182**	**54,314**	**-**		**18,009,547**
- Corporates	**163,127**	**51,964**	**-**	**-**	**-**	**-**		**215,091**
- Regulatory Retail	**-**	**1,935**	**-**	**-**	**-**	**-**		**1,935**
	8,843,797	**7,754,252**	**390,028**	**1,184,182**	**54,314**	**-**		**18,226,573**
(iv) Exposures risk-weighted using ratings of Insurance Companies, Securities Firms and Fund Managers								
- Insurance Companies, Securities Firms and Fund Managers	**75,611**	**-**	**-**	**-**	**-**	**-**		**75,611**
Total Rated Exposures	**34,225,734**	**79,293,615**	**450,049**	**1,484,515**	**1,027,847**	**205,685**		**116,687,445**
(b) Total Unrated Exposures							**456,094,068**	**456,094,068**
	34,225,734	**79,293,615**	**450,049**	**1,484,515**	**1,027,847**	**205,685**	**456,094,068**	**572,781,513**

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures before the Effect of Credit Risk Mitigation by Credit Quality Rating Categories (Cont'd.)

	Rating Categories							
Group	**1**	**2**	**3**	**4**	**5**	**6**	**Unrated**	**Total**
Exposure Class	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
30 June 2026								
Off-Balance Sheet Exposures								
(a) Rated Exposures								
(i) Exposures risk-weighted using ratings of Corporates								
- Corporates	**636,891**	**-**	**-**	**-**	**-**	**-**		**636,891**
- Regulatory Retail	**200**	**-**	**-**	**-**	**-**	**-**		**200**
	637,091	**-**	**-**	**-**	**-**	**-**		**637,091**
(ii) Exposures risk-weighted using ratings of Sovereigns and Central Banks[#]								
- Sovereigns and Central Banks	**-**	**557,457**	**31**	**11,069**	**-**	**-**		**568,557**
(iii) Exposures risk-weighted using ratings of Banking Institutions								
- Banks, DFIs and MDBs	**543,020**	**661,671**	**17,590**	**2**	**-**	**-**		**1,222,283**
- Corporates	**512**	**1,761**	**-**	**-**	**-**	**-**		**2,273**
- Regulatory Retail	**-**	**1,600**	**-**	**-**	**-**	**-**		**1,600**
	543,532	**665,032**	**17,590**	**2**	**-**	**-**		**1,226,156**
Total Rated Exposures	**1,180,623**	**1,222,489**	**17,621**	**11,071**	**-**	**-**		**2,431,804**
(b) Total Unrated Exposures							**32,868,955**	**32,868,955**
	1,180,623	**1,222,489**	**17,621**	**11,071**	**-**	**-**	**32,868,955**	**35,300,759**
Total Credit Exposures before Credit Risk Mitigation	**35,406,357**	**80,516,104**	**467,670**	**1,495,586**	**1,027,847**	**205,685**	**488,963,023**	**608,082,272**

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures before the Effect of Credit Risk Mitigation by Credit Quality Rating Categories (Cont'd.)

	Rating Categories							
Group	**1**	**2**	**3**	**4**	**5**	**6**	**Unrated**	**Total**
Exposure Class	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
31 December 2025								
On-Balance Sheet Exposures								
(a) Rated Exposures								
(i) Exposures risk-weighted using ratings of Corporates								
- Corporates	22,395,300	315,061	60,574	-	-	-		22,770,935
- Regulatory Retail	73,533	-	-	-	-	-		73,533
- Insurance Companies, Securities Firms and Fund Managers	196	-	-	-	-	-		196
	22,469,029	315,061	60,574	-	-	-		22,844,664
(ii) Exposures risk-weighted using ratings of Sovereigns and Central Banks[#]								
- Sovereigns and Central Banks	1,516,109	65,613,308	-	365,234	1,255,852	154,271		68,904,774
- Public Sector Entities	-	1,524,212	-	-	-	-		1,524,212
- Banks, DFIs and MDBs	-	16,583	-	-	-	-		16,583
- Insurance Companies, Securities Firms and Fund Managers	-	424	-	-	-	-		424
- Corporates	-	604,114	-	-	-	-		604,114
- Regulatory Retail	-	430,584	-	-	-	-		430,584
	1,516,109	68,189,225	-	365,234	1,255,852	154,271		71,480,691
(iii) Exposures risk-weighted using ratings of Banking Institutions								
- Banks, DFIs and MDBs	8,348,107	5,364,805	669,171	1,148,016	199,086	-		15,729,185
- Corporates	138,222	87,864	-	-	-	-		226,086
- Regulatory Retail	-	2,179	-	-	-	-		2,179
	8,486,329	5,454,848	669,171	1,148,016	199,086	-		15,957,450
(iv) Exposures risk-weighted using ratings of Insurance Companies, Securities Firms and Fund Managers								
- Insurance Companies, Securities Firms and Fund Managers	75,967	-	-	-	-	-		75,967
Total Rated Exposures	32,547,434	73,959,134	729,745	1,513,250	1,454,938	154,271		110,358,772
(b) Total Unrated Exposures							443,655,073	443,655,073
	32,547,434	73,959,134	729,745	1,513,250	1,454,938	154,271	443,655,073	554,013,845

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures before the Effect of Credit Risk Mitigation by Credit Quality Rating Categories (Cont'd.)

	Rating Categories							
Group	**1**	**2**	**3**	**4**	**5**	**6**	**Unrated**	**Total**
Exposure Class	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
31 December 2025								
Off-Balance Sheet Exposures								
(a) Rated Exposures								
(i) Exposures risk-weighted using ratings of Corporates								
- Corporates	709,349	-	-	-	-	-		709,349
(ii) Exposures risk-weighted using ratings of Sovereigns and Central Banks[#]								
- Sovereigns and Central Banks	-	474,524	31	4,521	-	-		479,076
(iii) Exposures risk-weighted using ratings of Banking Institutions								
- Banks, DFIs and MDBs	338,418	239,609	8,667	5,244	-	-		591,938
- Corporates	-	1,487	-	-	-	-		1,487
- Regulatory Retail	-	1,600	-	-	-	-		1,600
	338,418	242,696	8,667	5,244	-	-		595,025
Total Rated Exposures	1,047,767	717,220	8,698	9,765	-	-		1,783,450
(b) Total Unrated Exposures							32,908,570	32,908,570
	1,047,767	717,220	8,698	9,765	-	-	32,908,570	34,692,020
Total Credit Exposures before Credit Risk Mitigation	33,595,201	74,676,354	738,443	1,523,015	1,454,938	154,271	476,563,643	588,705,865

[#] Under the RWCAF, exposures denominated and funded in Ringgit Malaysia and guaranteed by the Federal Government of Malaysia or BNM are accorded a preferential sovereign risk weight of 0%.

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures after the Effect of Credit Risk Mitigation by Risk Weights

The following tables present the credit exposures of the Group and of the Bank after the effect of credit risk mitigation by risk weights.

	← Credit Exposures after the Effect of Credit Risk Mitigation →											
Group Risk Weights	**Sovereigns/ Central Banks RM'000**	**Public Sector Entities RM'000**	**Banks, DFIs and MDBs RM'000**	**Insurance Companies, Securities Firms and Fund Managers RM'000**	**Corporates RM'000**	**Regulatory Retail RM'000**	**Residential Mortgages RM'000**	**Higher Risk Assets RM'000**	**Other Assets RM'000**	**Equity Exposures RM'000**	**Total Exposures after Credit Risk Mitigation RM'000**	**Total Risk-Weighted Assets RM'000**
30 June 2026												
0%	**71,185,280**	**1,223,444**	**16,335**	**255**	**593,732**	**373,768**	**-**	**-**	**3,228,244**	**-**	**76,621,058**	**-**
20%	**326,743**	**291,203**	**16,246,626**	**75,778**	**24,699,039**	**59,333**	**-**	**-**	**3,112**	**-**	**41,701,834**	**8,340,367**
35%	**-**	**-**	**-**	**-**	**-**	**-**	**116,160,113**	**-**	**-**	**-**	**116,160,113**	**40,656,040**
50%	**3**	**-**	**5,199,571**	**15,526**	**710,598**	**30,529**	**46,367,368**	**-**	**-**	**-**	**52,323,595**	**26,161,797**
75%	**-**	**-**	**-**	**-**	**-**	**187,444,534**	**130,153**	**-**	**-**	**-**	**187,574,687**	**140,681,015**
100%	**308,504**	**-**	**565,453**	**979,511**	**82,827,177**	**13,536,393**	**20,500,160**	**-**	**4,713,992**	**901,414**	**124,332,604**	**124,332,604**
150%	**43,389**	**-**	**9,984**	**-**	**881,456**	**1,460,351**	**95,115**	**153,824**	**-**	**-**	**2,644,119**	**3,966,179**
Total	**71,863,919**	**1,514,647**	**22,037,969**	**1,071,070**	**109,712,002**	**202,904,908**	**183,252,909**	**153,824**	**7,945,348**	**901,414**	**601,358,010**	**344,138,002**
Risk-Weighted Assets by Exposures	**438,938**	**58,241**	**6,429,540**	**1,002,430**	**89,444,467**	**156,337,451**	**84,580,171**	**230,736**	**4,714,614**	**901,414**	**344,138,002**	
Average Risk Weights	**0.6%**	**3.8%**	**29.2%**	**93.6%**	**81.5%**	**77.0%**	**46.2%**	**150.0%**	**59.3%**	**100.0%**	**57.2%**	
Deduction from Total Capital			**-**							**-**	**-**	

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures after the Effect of Credit Risk Mitigation by Risk Weights (Cont'd.)

	← Credit Exposures after the Effect of Credit Risk Mitigation →											
Group Risk Weights	**Sovereigns/ Central Banks RM'000**	**Public Sector Entities RM'000**	**Banks, DFIs and MDBs RM'000**	**Insurance Companies, Securities Firms and Fund Managers RM'000**	**Corporates RM'000**	**Regulatory Retail RM'000**	**Residential Mortgages RM'000**	**Higher Risk Assets RM'000**	**Other Assets RM'000**	**Equity Exposures RM'000**	**Total Exposures after Credit Risk Mitigation RM'000**	**Total Risk-Weighted Assets RM'000**
31 December 2025												
0%	68,647,318	1,223,690	16,583	424	587,816	430,584	-	-	4,604,961	-	75,511,376	-
20%	354,081	323,606	13,294,159	76,163	23,243,304	73,533	-	-	3,631	-	37,368,477	7,473,695
35%	-	-	-	-	-	-	114,301,046	-	-	-	114,301,046	40,005,366
50%	1	-	4,030,635	7,730	515,090	28,598	44,839,976	-	-	-	49,422,030	24,711,015
75%	-	-	-	-	-	183,098,806	124,124	-	-	-	183,222,930	137,417,198
100%	347,870	-	721,297	534,387	78,186,556	13,910,567	19,728,619	-	4,691,105	868,232	118,988,633	118,988,633
150%	34,551	-	12,034	-	1,023,543	1,590,442	107,527	168,208	-	-	2,936,305	4,404,458
Total	69,383,821	1,547,296	18,074,708	618,704	103,556,309	199,132,530	179,101,292	168,208	9,299,697	868,232	581,750,797	333,000,365
Risk-Weighted Assets by Exposures	470,513	64,721	5,413,497	553,485	84,628,076	153,649,341	82,408,357	252,312	4,691,831	868,232	333,000,365	
Average Risk Weights	0.7%	4.2%	30.0%	89.5%	81.7%	77.2%	46.0%	150.0%	50.5%	100.0%	57.2%	
Deduction from Total Capital			-							-	-	

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures after the Effect of Credit Risk Mitigation by Risk Weights (Cont'd.)

	← Credit Exposures after the Effect of Credit Risk Mitigation →											
Bank Risk Weights	**Sovereigns/ Central Banks RM'000**	**Public Sector Entities RM'000**	**Banks, DFIs and MDBs RM'000**	**Insurance Companies, Securities Firms and Fund Managers RM'000**	**Corporates RM'000**	**Regulatory Retail RM'000**	**Residential Mortgages RM'000**	**Higher Risk Assets RM'000**	**Other Assets RM'000**	**Equity Exposures RM'000**	**Total Exposures after Credit Risk Mitigation RM'000**	**Total Risk-Weighted Assets RM'000**
30 June 2026												
0%	**50,294,442**	**106,244**	**-**	**255**	**264,760**	**344,369**	**-**	**-**	**3,371,191**	**-**	**54,381,261**	**-**
20%	**276,100**	**20,338**	**11,103,949**	**167**	**19,317,108**	**59,333**	**-**	**-**	**-**	**-**	**30,776,995**	**6,155,399**
35%	**-**	**-**	**-**	**-**	**-**	**-**	**86,279,602**	**-**	**-**	**-**	**86,279,602**	**30,197,861**
50%	**1**	**-**	**1,026,329**	**-**	**680,236**	**19,654**	**34,303,620**	**-**	**-**	**-**	**36,029,840**	**18,014,920**
75%	**-**	**-**	**-**	**-**	**-**	**147,309,603**	**83,234**	**-**	**-**	**-**	**147,392,837**	**110,544,628**
100%	**-**	**-**	**2,244,710**	**146,077**	**63,591,009**	**7,791,951**	**14,005,205**	**-**	**3,368,798**	**7,916,349**	**99,064,099**	**99,064,099**
150%	**38,742**	**-**	**69,000**	**-**	**434,380**	**929,606**	**37,325**	**128,693**	**-**	**-**	**1,637,746**	**2,456,619**
1250%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**89,843**	**-**	**89,843**	**1,123,037**
Total	**50,609,285**	**126,582**	**14,443,988**	**146,499**	**84,287,493**	**156,454,516**	**134,708,986**	**128,693**	**6,829,832**	**7,916,349**	**455,652,223**	**267,556,563**
Risk-Weighted Assets by Exposures	**113,333**	**4,068**	**5,082,164**	**146,110**	**68,446,119**	**119,690,256**	**61,473,289**	**193,040**	**4,491,835**	**7,916,349**	**267,556,563**	
Average Risk Weights	**0.2%**	**3.2%**	**35.2%**	**99.7%**	**81.2%**	**76.5%**	**45.6%**	**150.0%**	**65.8%**	**100.0%**	**58.7%**	
Deduction from Total Capital			**-**							**-**	**-**	

3. Credit Risk (Cont'd.)

3.4 Assignment of Risk Weights for Portfolios Under the Standardised Approach (Cont'd.)

Credit Exposures after the Effect of Credit Risk Mitigation by Risk Weights (Cont'd.)

	← Credit Exposures after the Effect of Credit Risk Mitigation →											
Bank Risk Weights	**Sovereigns/ Central Banks RM'000**	**Public Sector Entities RM'000**	**Banks, DFIs and MDBs RM'000**	**Insurance Companies, Securities Firms and Fund Managers RM'000**	**Corporates RM'000**	**Regulatory Retail RM'000**	**Residential Mortgages RM'000**	**Higher Risk Assets RM'000**	**Other Assets RM'000**	**Equity Exposures RM'000**	**Total Exposures after Credit Risk Mitigation RM'000**	**Total Risk-Weighted Assets RM'000**
31 December 2025												
0%	46,642,827	106,265	-	424	269,653	394,640	-	-	4,245,379	-	51,659,188	-
20%	185,996	21,953	8,464,403	196	18,284,887	73,533	-	-	-	-	27,030,968	5,406,194
35%	-	-	-	-	-	-	85,108,697	-	-	-	85,108,697	29,788,044
50%	1	-	763,248	-	498,589	17,448	33,113,339	-	-	-	34,392,625	17,196,313
75%	-	-	-	-	-	143,595,442	80,225	-	-	-	143,675,667	107,756,750
100%	-	-	1,913,192	141,468	59,633,178	7,982,342	13,490,643	-	3,344,328	7,772,266	94,277,417	94,277,417
150%	29,570	-	71,466	-	511,692	1,100,060	36,401	141,755	-	-	1,890,944	2,836,416
1250%	-	-	-	-	-	-	-	-	89,843	-	89,843	1,123,037
Total	46,858,394	128,218	11,212,309	142,088	79,197,999	153,163,465	131,829,305	141,755	7,679,550	7,772,266	438,125,349	258,384,171
Risk-Weighted Assets by Exposures	81,555	4,391	4,094,896	141,507	64,306,987	117,352,444	59,950,127	212,633	4,467,365	7,772,266	258,384,171	
Average Risk Weights	0.2%	3.4%	36.5%	99.6%	81.2%	76.6%	45.5%	150.0%	58.2%	100.0%	59.0%	
Deduction from Total Capital			-							-	-	

3. Credit Risk (Cont'd.)

3.5 Credit Quality of Gross Loans, Advances and Financing

(a) Past Due But Not Credit-impaired

Tables (i)-(ii) present the analyses of past due but not credit-impaired loans, advances and financing of the Group by the following:
(i) Economic purpose
(ii) Geographical

(i) Economic Purpose

Group	30 June 2026 RM'000	31 December 2025 RM'000
Purchase of securities	**5,214**	6,615
Purchase of transport vehicles	**9,299,970**	9,280,128
Purchase of properties	**12,947,622**	13,160,999
(Of which: - residential	**10,344,236**	10,506,424
- non-residential)	**2,603,386**	2,654,575
Purchase of fixed assets (excluding properties)	**3,707**	1,897
Personal use	**720,443**	701,951
Credit card	**335,961**	346,954
Construction	**68,323**	136,673
Working capital	**989,796**	789,537
Other purpose	**8,191**	12,783
	24,379,227	24,437,537

(ii) Geographical

Group	30 June 2026 RM'000	31 December 2025 RM'000
Malaysia	**23,304,329**	23,381,838
Hong Kong & China	**287,307**	300,356
Cambodia	**532,207**	548,397
Other countries	**255,384**	206,946
	24,379,227	24,437,537

3. Credit Risk (Cont'd.)

3.5 Credit Quality of Gross Loans, Advances and Financing (Cont'd.)

(b) Credit-impaired Loans, Advances and Financing

Tables (i)-(iii) present the analyses of credit-impaired loans, advances and financing of the Group and the impairment allowances of the Group by the following:
(i) Economic purpose
(ii) Geographical
(iii) Reconciliation of loss allowance for loans, advances and financing

(i) Economic Purpose

	Credit-impaired Loans, Advances and Financing RM'000	Individual Assessment Allowance at 1 January 2026 RM'000	Net Charge for the Period RM'000	Amounts Written Off/Other Movements RM'000	Individual Assessment Allowance at 30 June 2026 RM'000	Collective Assessment Allowance at 30 June 2026 RM'000	Total Impairment Allowances for Loans, Advances and Financing RM'000
Group							
30 June 2026							
Purchase of securities	**1,288**	**-**	**-**	**-**	**-**	**8,997**	**8,997**
Purchase of transport vehicles	**335,454**	**67,288**	**22,960**	**(6,797)**	**83,451**	**743,411**	**826,862**
Purchase of properties	**1,463,314**	**243,332**	**30,708**	**(7,626)**	**266,414**	**981,245**	**1,247,659**
(Of which: - residential	**758,779**	**17,720**	**3,162**	**(4,513)**	**16,369**	**344,754**	**361,123**
- non-residential)	**704,535**	**225,612**	**27,546**	**(3,113)**	**250,045**	**636,491**	**886,536**
Purchase of fixed assets (excluding properties)	**10,292**	**777**	**110**	**5**	**892**	**2,887**	**3,779**
Personal use	**158,702**	**23,752**	**52,571**	**(52,711)**	**23,612**	**107,717**	**131,329**
Credit card	**15,915**	**493**	**89**	**(333)**	**249**	**35,676**	**35,925**
Purchase of consumer durables	**1**	**-**	**-**	**-**	**-**	**1**	**1**
Construction	**12,908**	**719**	**647**	**15**	**1,381**	**91,569**	**92,950**
Mergers and acquisitions	**-**	**-**	**-**	**-**	**-**	**21**	**21**
Working capital	**479,902**	**42,540**	**13,226**	**(2,857)**	**52,909**	**345,701**	**398,610**
Other purpose	**3,393**	**-**	**-**	**-**	**-**	**700,091**	**700,091**
	2,481,169	**378,901**	**120,311**	**(70,304)**	**428,908**	**3,017,316**	**3,446,224**

3. Credit Risk (Cont'd.)

3.5 Credit Quality of Gross Loans, Advances and Financing (Cont'd.)

(b) Credit-impaired Loans, Advances and Financing (Cont'd.)

(i) Economic Purpose (Cont'd.)

Group	Credit-impaired Loans, Advances and Financing RM'000	Individual Assessment Allowance at 1 January 2025 RM'000	Net Charge for the Year RM'000	Amounts Written Off/Other Movements RM'000	Individual Assessment Allowance at 31 December 2025 RM'000	Collective Assessment Allowance at 31 December 2025 RM'000	Total Impairment Allowances for Loans, Advances and Financing RM'000
31 December 2025							
Purchase of securities	2,566	1	(1)	-	-	19,506	19,506
Purchase of transport vehicles	273,066	53,118	26,095	(11,925)	67,288	708,551	775,839
Purchase of properties	1,416,730	181,758	81,452	(19,878)	243,332	968,080	1,211,412
(Of which: - residential	717,365	21,855	4,864	(8,999)	17,720	344,683	362,403
- non-residential)	699,365	159,903	76,588	(10,879)	225,612	623,397	849,009
Purchase of fixed assets (excluding properties)	9,868	1,499	(411)	(311)	777	2,545	3,322
Personal use	152,838	26,079	157,925	(160,252)	23,752	108,379	132,131
Credit card	12,774	322	662	(491)	493	33,194	33,687
Purchase of consumer durables	1	-	-	-	-	1	1
Construction	10,658	749	52	(82)	719	113,079	113,798
Mergers and acquisitions	-	-	-	-	-	24	24
Working capital	402,647	44,152	36,258	(37,870)	42,540	318,980	361,520
Other purpose	3,425	-	-	-	-	773,607	773,607
	2,284,573	307,678	302,032	(230,809)	378,901	3,045,946	3,424,847

3. Credit Risk (Cont'd.)

3.5 Credit Quality of Gross Loans, Advances and Financing (Cont'd.)

(b) Credit-impaired Loans, Advances and Financing (Cont'd.)

(ii) Geographical

Group	Credit-impaired Loans, Advances and Financing RM'000	Individual Assessment Allowance at 1 January 2026 RM'000	Net Charge for the Period RM'000	Amounts Written Off/Other Movements RM'000	Individual Assessment Allowance at 30 June 2026 RM'000	Collective Assessment Allowance at 30 June 2026 RM'000	Total Impairment Allowances for Loans, Advances and Financing RM'000
30 June 2026							
Malaysia	**1,625,290**	**209,779**	**32,548**	**(10,363)**	**231,964**	**2,792,625**	**3,024,589**
Hong Kong & China	**371,208**	**132,871**	**75,998**	**(60,974)**	**147,895**	**77,377**	**225,272**
Cambodia	**304,621**	**16,025**	**4,079**	**1,128**	**21,232**	**104,676**	**125,908**
Other countries	**180,050**	**20,226**	**7,686**	**(95)**	**27,817**	**42,638**	**70,455**
	2,481,169	**378,901**	**120,311**	**(70,304)**	**428,908**	**3,017,316**	**3,446,224**

Group	Credit-impaired Loans, Advances and Financing RM'000	Individual Assessment Allowance at 1 January 2025 RM'000	Net Charge for the Year RM'000	Amounts Written Off/Other Movements RM'000	Individual Assessment Allowance at 31 December 2025 RM'000	Collective Assessment Allowance at 31 December 2025 RM'000	Total Impairment Allowances for Loans, Advances and Financing RM'000
31 December 2025							
Malaysia	1,521,919	181,431	48,573	(20,225)	209,779	2,823,758	3,033,537
Hong Kong & China	371,067	101,024	208,698	(176,851)	132,871	79,652	212,523
Cambodia	233,004	6,635	38,359	(28,969)	16,025	97,496	113,521
Other countries	158,583	18,588	6,402	(4,764)	20,226	45,040	65,266
	2,284,573	307,678	302,032	(230,809)	378,901	3,045,946	3,424,847

3. Credit Risk (Cont'd.)

3.5 Credit Quality of Gross Loans, Advances and Financing (Cont'd.)

(b) Credit-impaired Loans, Advances and Financing (Cont'd.)

(iii) Reconciliation of Loss Allowance for Loans, Advances and Financing

Movements in loss allowances for loans/financing which reflect the expected credit losses ("ECL") model on impairment are as follows:

		Lifetime ECL		
	12-Month ECL (Stage 1) RM'000	Not Credit-impaired (Stage 2) RM'000	Credit-impaired (Stage 3) RM'000	Total RM'000
Group				
At 1 January 2026	**810,646**	**1,884,886**	**729,315**	**3,424,847**
Changes due to loans, advances and financing recognised as at 1 January 2026:	**152,777**	**(155,737)**	**2,960**	**-**
- Transfer to Stage 1: 12-Month ECL	**164,047**	**(154,952)**	**(9,095)**	**-**
- Transfer to Stage 2: Lifetime ECL not credit-impaired	**(9,381)**	**34,812**	**(25,431)**	**-**
- Transfer to Stage 3: Lifetime ECL credit-impaired	**(1,889)**	**(35,597)**	**37,486**	**-**
New loans, advances and financing originated	**59,200**	**36,439**	**6,553**	**102,192**
Net remeasurement due to changes in credit risk	**(165,752)**	**49,568**	**273,633**	**157,449**
Loans, advances and financing derecognised (other than write-off)	**(23,876)**	**(18,447)**	**(12,679)**	**(55,002)**
Modifications to contractual cash flows of loans, advances and financing	**(833)**	**(5,767)**	**51,950**	**45,350**
Changes in models / risk parameters	**(131)**	**-**	**-**	**(131)**
Amount written off	**-**	**-**	**(230,389)**	**(230,389)**
Exchange differences	**(178)**	**466**	**1,620**	**1,908**
At 30 June 2026	**831,853**	**1,791,408**	**822,963**	**3,446,224**
Group				
At 1 January 2025	1,037,711	2,027,053	634,509	3,699,273
Changes due to loans, advances and financing recognised as at 1 January 2025:	178,441	(171,062)	(7,379)	-
- Transfer to Stage 1: 12-Month ECL	197,741	(181,721)	(16,020)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(16,347)	43,655	(27,308)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(2,953)	(32,996)	35,949	-
New loans, advances and financing originated	115,277	121,581	64,681	301,539
Net remeasurement due to changes in credit risk	(408,513)	22,729	488,324	102,540
Loans, advances and financing derecognised (other than write-off)	(47,853)	(60,580)	(26,875)	(135,308)
Modifications to contractual cash flows of loans, advances and financing	(1,392)	14,940	100,502	114,050
Changes in models / risk parameters	(50,111)	(63,146)	285	(112,972)
Amount written off	(669)	-	(496,954)	(497,623)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(254)	(254)
Exchange differences	(12,245)	(6,629)	(27,524)	(46,398)
At 31 December 2025	810,646	1,884,886	729,315	3,424,847

4. Market Risk

Minimum Regulatory Capital Requirements for Market Risk

The following tables present the minimum regulatory capital requirements for market risk of the Group and of the Bank.

Group	Long Position RM'000	Short Position RM'000	Risk-Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
30 June 2026				
Interest rate/rate of return risk	**51,572,783**	**(50,071,219)**	**1,587,270**	**126,981**
Foreign exchange risk	**8,278,676**	**(2,105,773)**	**6,184,696**	**494,776**
Total	**59,851,459**	**(52,176,992)**	**7,771,966**	**621,757**
31 December 2025				
Interest rate/rate of return risk	44,158,626	(42,606,179)	1,940,052	155,204
Foreign exchange risk	7,758,585	(2,124,592)	5,640,701	451,256
Total	51,917,211	(44,730,771)	7,580,753	606,460
Bank				
30 June 2026				
Interest rate risk	**49,579,623**	**(48,650,413)**	**1,590,938**	**127,275**
Foreign exchange risk	**5,217,282**	**(3,946,897)**	**3,123,302**	**249,864**
Total	**54,796,905**	**(52,597,310)**	**4,714,240**	**377,139**
31 December 2025				
Interest rate risk	41,831,803	(41,324,182)	1,885,051	150,804
Foreign exchange risk	4,847,241	(3,975,036)	2,729,357	218,349
Total	46,679,044	(45,299,218)	4,614,408	369,153

4. Market Risk (Cont'd.)

4.1 Interest Rate/Rate of Return Risk in the Banking Book

Interest Rate/Rate of Return Risk Sensitivity Analysis

The following table presents the projected Group's sensitivity to a 100 basis point parallel rate movement across all maturities applied on the Group's interest rate/rate of return sensitivity gap as at the reporting date, taking into consideration the behavioural pattern of certain indeterminate maturity of deposits such as demand and savings deposits to reflect the actual sensitivity behavioural of these deposits. Where the current interest rate/rate of return is lower than 1%, the downward rate shock applied is restricted to the prevailing interest rate/rate of return.

	30 June 2026		31 December 2025	
	-100 bps	+100 bps	-100 bps	+100 bps
	← Increase/(Decrease) →			
Group	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Impact on Net Interest/ Profit Income ("NII/NPI")				
Ringgit Malaysia	**(1,078,514)**	**1,049,997**	(962,051)	938,253
United States Dollars	**(34,297)**	**24,295**	(27,041)	16,794
Hong Kong Dollars	**(26,917)**	**18,002**	(39,198)	28,899
Other Currencies	**(26,426)**	**23,356**	(20,733)	17,223
Total	**(1,166,154)**	**1,115,650**	(1,049,023)	1,001,169
Impact on Economic Value of Equity ("EVE")				
Ringgit Malaysia	**3,119,153**	**(1,595,000)**	3,105,399	(1,604,678)
United States Dollars	**117,730**	**(71,271)**	131,267	(84,454)
Hong Kong Dollars	**10,186**	**20,526**	822	30,350
Other Currencies	**59,777**	**(39,938)**	69,826	(49,249)
Total	**3,306,846**	**(1,685,683)**	3,307,314	(1,708,031)

The reported amounts do not capture the impact of business growth or of management actions and are based on the balance sheet as at reporting date. In reality, the Assets & Liabilities Management Committee ("ALCO") seeks to proactively change the interest rate/rate of return risk profile to minimise losses and maximise net revenue. The projection assumes a constant statements of financial position and that all positions run to maturity.

The repricing profile of loans/financing that does not have maturity is based on the earliest possible repricing dates. Actual dates may differ from contractual dates owing to prepayments. Where possible and material, loans/financing prepayments are generally estimated based on past statistics and trends. The impact on the NII/NPI and EVE are measured on a monthly basis for the Bank and quarterly basis for the Group, both of which are reported to the ALCO and the Risk Management Committee ("RMC").

5. Equity Exposures in the Banking Book

The following tables present the equity exposures in the banking book and the gains and losses on equity exposures in the banking book of the Group.

(a) Equity Exposures in the Banking Book

	30 June 2026		31 December 2025	
Group	**Gross Credit Exposure RM'000**	**Risk-Weighted Assets RM'000**	**Gross Credit Exposure RM'000**	**Risk-Weighted Assets RM'000**
Publicly traded				
Holdings of equity investments	**1,467**	**1,467**	1,758	1,758
Privately held				
For socio-economic purposes	**899,947**	**899,947**	866,474	866,474
Not for socio-economic purposes	**45,942**	**68,913**	46,176	69,264
	945,889	**968,860**	912,650	935,738
Total	**947,356**	**970,327**	914,408	937,496

(b) Gains and Losses on Equity Exposures in the Banking Book

Group	**30 June 2026 RM'000**	**31 December 2025 RM'000**
Unrealised revaluation gain/(loss) recognised in profit or loss		
- Privately held equity investments	**33,466**	(17,374)
Unrealised revaluation (loss)/gain recognised in other comprehensive income		
- Privately held equity investments	**(293)**	49,000
- Publicly traded equity investments	**(407)**	229
	(700)	49,229

6. Operational Risk

Minimum Regulatory Capital Requirements for Operational Risk

The following table presents the minimum regulatory capital requirements for operational risk of the Group and of the Bank.

	30 June 2026		31 December 2025	
	Risk-Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000	Risk-Weighted Assets RM'000	Minimum Capital Requirement at 8% RM'000
Group	**28,072,606**	**2,245,808**	27,438,111	2,195,049
Bank	**20,780,974**	**1,662,478**	20,374,940	1,629,995

7. Shariah Non-Compliance Risk

There were four (4) actual Shariah Non-Compliance ("SNC") incidents involving the following nature of events:

(a) Non-execution of Commodity Trading for Commodity Murabahah Credit Card-i; and
(b) Issues involving the execution of Islamic contractual documentation.

There were SNC income which had materialised from one (1) actual SNC event confirmed in prior years amounting to RM71,680 as at 30 June 2026 (31 December 2025: RM0) due to non-renewal of Cash Line Facility-i resulting in breach of selling price for one (1) account.

Under the Islamic capital market activities by Public Investment Bank Berhad, an amount of RM13 (31 December 2025: RM13) was recognised as gharamah amount to be channelled to charity as advised by the Shariah Adviser. The Stockbroking Division and Debt Capital Markets Division work closely with the Shariah Adviser to ensure all Islamic capital market transactions comply with the Shariah requirements under the relevant guidelines or best practices issued by BNM, Bursa Malaysia and Securities Commission.

8. Investment Account

The following table presents the performance of Term Investment Account-i ("TIA-i").

Public Islamic Bank Berhad

As at 30 June 2026	**%**
Average Net Distributable Income	5.38
Average Net Distributable Income Attributable to the Investment Account Holder	3.75
Average Return on Assets	6.01

The TIA-i balance was recorded at RM97.7 million as at 30 June 2026 (31 December 2025: RM0).